

119TH CONGRESS  
1ST SESSION

# S. 948

To reauthorize the HOME Investment Partnerships Program, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

MARCH 11 (legislative day, MARCH 10), 2025

Ms. CORTEZ MASTO (for herself, Ms. SMITH, Mr. VAN HOLLEN, Ms. ALSOBROOKS, Mr. BENNET, Ms. ROSEN, and Mr. FETTERMAN) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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## A BILL

To reauthorize the HOME Investment Partnerships Program, and for other purposes.

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

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

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “HOME Investment Partnerships Reauthorization and  
6 Improvement Act of 2025”.

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

Sec. 1. Short title; table of contents.

- TITLE II—REFORMS RELATING TO HOME INVESTMENT  
PARTNERSHIPS PROGRAM ADMINISTRATION AND RULES

- TITLE III—REFORMS RELATING TO COMMUNITY HOUSING  
DEVELOPMENT ORGANIZATION AND NONPROFIT PARTICIPATION

- ## TITLE IV—TECHNICAL CORRECTIONS

- 1 **TITLE I—REAUTHORIZATION OF**  
2 **AND REFORMS TO HOME IN-**  
3 **VESTMENT PARTNERSHIPS**  
4 **PROGRAM**

**5 SEC. 101. REAUTHORIZATION OF PROGRAM.**

6       Section 205 of the Cranston-Gonzalez National Af-  
7       ordable Housing Act (42 U.S.C. 12724) is amended to  
8       read as follows:

9 “SEC. 205. AUTHORIZATION OF APPROPRIATIONS.

10        “There are authorized to be appropriated to carry out  
11    this title—

12 “(1) \$5,000,000,000 for fiscal year 2025;

13 “(2) \$5,250,000,000 for fiscal year 2026;

1 “(3) \$5,512,500,000 for fiscal year 2027;  
 2 “(4) \$5,788,125,000 for fiscal year 2028; and  
 3 “(5) \$6,077,531,250 for fiscal year 2029.”.

4 **SEC. 102. INCREASE IN PROGRAM ADMINISTRATION RE-**  
 5 **SOURCES.**

6 Subtitle A of title II of the Cranston-Gonzalez Na-  
 7 tional Affordable Housing Act (42 U.S.C. 12741 et seq.)  
 8 is amended—

9 (1) in section 212(c) (42 U.S.C. 12742(c)), by  
 10 striking “10 percent” and inserting “15 percent”;  
 11 and

12 (2) in section 220(b) (42 U.S.C. 12750(b))—

13 (A) by striking “RECOGNITION.—” and all  
 14 that follows through “A contribution” and in-  
 15 serting the following: “RECOGNITION.—A con-  
 16 tribution”; and

17 (B) by striking paragraph (2).

18 **SEC. 103. MODIFICATIONS OF PARTICIPATING JURISDIC-**  
 19 **TION QUALIFICATION THRESHOLD AND**  
 20 **PROCESS FOR REALLOCATIONS.**

21 Section 216 of the Cranston-Gonzalez National Af-  
 22 fordable Housing Act (42 U.S.C. 12746) is amended—

23 (1) in paragraph (3)(A)—

(A) by striking “(A) Except as provided in paragraph (10), a jurisdiction” and inserting the following:

“(A) ELIGIBILITY THRESHOLD.—

“(i) IN GENERAL.—Except as provided in subparagraph (B), a jurisdiction”; and

(B) by striking “or if the Secretary finds that” and all that follows through the end of clause (ii) and inserting the following: “subject to clause (ii).

“(ii) INFLATION ADJUSTMENT TO ELIGIBILITY THRESHOLD.—For each fiscal year after fiscal year 2025, the Secretary shall adjust the threshold amount in clause (i) for inflation.”;

(2) in paragraph (6)—

(A) in the matter preceding subparagraph (A), by inserting “this title, including the requirements in” after “the requirements of”; and

(B) by striking “meet the requirements” each place that term appears and inserting “meet or comply with the requirements”; and  
(3) by striking paragraph (10).

1 **SEC. 104. MODIFICATION OF JURISDICTIONS ELIGIBLE FOR**  
2 **REALLOCATIONS.**

3 Section 217(d) of the Cranston-Gonzalez National  
4 Affordable Housing Act (42 U.S.C. 12747(d)) is amend-  
5 ed—

6 (1) in paragraph (1), by striking the second  
7 sentence and inserting the following: “Subject to  
8 paragraph (3)(A), jurisdictions eligible for such re-  
9 allocations shall include participating jurisdictions  
10 and jurisdictions meeting the requirements of this  
11 title, including the requirements in paragraphs (3),  
12 (4), and (5) of section 216.”; and

13 (2) in paragraph (3), by striking “LIMITA-  
14 TION.—Unless otherwise specified” and inserting the  
15 following: “LIMITATIONS.—

16 “(A) REMOVAL OF PARTICIPATING JURIS-  
17 DICTIONS FROM REALLOCATION.—The Sec-  
18 retary may remove a participating jurisdiction  
19 that fails to meet or comply with the require-  
20 ments of this title from participation in re-  
21 allocations of funds made available under this  
22 title.

23 “(B) REALLOCATION TO SAME TYPE OF  
24 ENTITY.—Unless otherwise specified”.

1 **TITLE II—REFORMS RELATING**  
 2 **TO HOME INVESTMENT PART-**  
 3 **NERSHIPS PROGRAM ADMIN-**  
 4 **ISTRATION AND RULES**

5 **SEC. 201. AMENDMENTS TO QUALIFICATION AS AFFORD-**  
 6 **ABLE HOUSING.**

7 Section 215 of the Cranston-Gonzalez National Af-  
 8 fordable Housing Act (42 U.S.C. 12745) is amended—

9 (1) in subsection (a)—

10 (A) in paragraph (1)(E), by striking all  
 11 that follows “purposes of this Act,” and insert-  
 12 ing the following: “except—

13 “(i) upon a foreclosure by a lender (or  
 14 upon other transfer in lieu of foreclosure)  
 15 if such action—

16 “(I) recognizes any contractual  
 17 or legal rights of public agencies, non-  
 18 profit sponsors, or others to take ac-  
 19 tions that would avoid termination of  
 20 low-income affordability in the case of  
 21 foreclosure or transfer in lieu of fore-  
 22 closure; and

23 “(II) is not for the purpose of  
 24 avoiding low-income affordability re-

1                   strictions, as determined by the Sec-  
2                   retary; or

3                   “(ii) where existing affordable housing  
4                   is no longer financially viable due to un-  
5                   foreseen acts or occurrences beyond the  
6                   reasonable contemplation or control of the  
7                   participating jurisdiction or owner that sig-  
8                   nificantly impact the financial or physical  
9                   condition of the housing, as determined by  
10                  the Secretary; and”; and

11                  (B) by adding at the end the following:

12                  “(7) SMALL-SCALE HOUSING.—

13                   “(A) DEFINITION.—In this paragraph, the  
14                   term ‘small-scale housing’ means housing with  
15                   not more than 4 rental units.

16                   “(B) ALTERNATIVE REQUIREMENTS.—  
17                   Small-scale housing shall qualify as affordable  
18                   housing under this title if—

19                   “(i) the housing bears rents that com-  
20                   ply with paragraph (1)(A);

21                   “(ii) each unit is occupied by a house-  
22                   hold that qualifies as a low-income family;

23                   “(iii) the housing is not refused for  
24                   leasing to a holder of a voucher under sec-  
25                   tion 8 of the United States Housing Act of

1                   1937 (42 U.S.C. 1437f) because of the  
 2                   status of the prospective tenant as a holder  
 3                   of such voucher;

4                   “(iv) the housing meets the require-  
 5                   ments under paragraph (1)(E); and

6                   “(v) the participating jurisdiction  
 7                   monitors ongoing compliance of the hous-  
 8                   ing with requirements of this title in a  
 9                   manner consistent with the purposes of  
 10                  section 226(b), as determined by the Sec-  
 11                  retary.”; and

12                  (2) in subsection (b)(1), by striking “95 per-  
 13                  cent” and inserting “110 percent or a percentage es-  
 14                  tablished by the Secretary through notice, whichever  
 15                  is greater,”.

16 **SEC. 202. ELIMINATION OF COMMITMENT DEADLINE.**

17                  (a) IN GENERAL.—Section 218 of the Cranston-Gon-  
 18                  zalez National Affordable Housing Act (42 U.S.C. 12748)  
 19                  is amended—

20                   (1) by striking subsection (g); and

21                   (2) by redesignating subsection (h) as sub-  
 22                  section (g).

23                  (b) CONFORMING AMENDMENT.—Section 218(c) of  
 24                  the Cranston-Gonzalez National Affordable Housing Act  
 25                  (42 U.S.C. 12748(c)) is amended—

1 (1) in paragraph (1), by adding “and” at the  
2 end;

3 (2) by striking paragraph (2);

4 (3) by redesignating paragraph (3) as para-  
5 graph (2); and

6 (4) in paragraph (2), as so redesignated, by  
7 striking “section 224” and inserting “section 223”.

8 **SEC. 203. REFORM OF HOMEOWNERSHIP RESALE RESTRIC-**  
9 **TIONS.**

10 Section 215 of the Cranston-Gonzalez National Af-  
11 fordable Housing Act (42 U.S.C. 12745), as amended by  
12 section 201, is amended—

13 (1) in subsection (b)—

14 (A) in paragraph (2), by redesignating  
15 subparagraphs (A), (B), and (C) as clauses (i),  
16 (ii), and (iii), respectively, and adjusting the  
17 margins accordingly;

18 (B) by striking paragraph (3);

19 (C) by redesignating paragraphs (1), (2),  
20 and (4) as subparagraphs (A), (B), and (D), re-  
21 spectively, and adjusting the margins accord-  
22 ingly;

23 (D) by inserting after subparagraph (B),  
24 as so redesignated, the following:

1 “(C) is subject to restrictions that are es-  
2 tablished by the participating jurisdiction and  
3 determined by the Secretary to be appropriate,  
4 including with respect to the useful life of the  
5 property, to—

6 “(i) require that any subsequent pur-  
7 chase of the property be—

8 “(I) only by a person who meets  
9 the qualifications specified under sub-  
10 paragraph (B); and

11 “(II) at a price that is deter-  
12 mined by a formula or method estab-  
13 lished by the participating jurisdiction  
14 that provides the owner with a reason-  
15 able return on investment, which may  
16 include a percentage of the cost of  
17 any improvements; or

18 “(ii) recapture the investment pro-  
19 vided under this title in order to assist  
20 other persons in accordance with the re-  
21 quirements of this title, except where there  
22 are no net proceeds or where the net pro-  
23 ceeds are insufficient to repay the full  
24 amount of the assistance; and”;

1 (E) by striking “Housing that is for home-  
 2 ownership” and inserting the following:

3 “(1) QUALIFICATION.—Housing that is for  
 4 homeownership”; and

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

6 “(2) PURCHASE BY COMMUNITY LAND  
 7 TRUST.—Notwithstanding subparagraph (C)(i) of  
 8 paragraph (1) and under terms determined by the  
 9 Secretary, the Secretary may permit a participating  
 10 jurisdiction to allow a community land trust that  
 11 used assistance provided under this subtitle for the  
 12 development of housing that meets the criteria under  
 13 paragraph (1), to acquire the housing—

14 “(A) in accordance with the terms of the  
 15 preemptive purchase option, lease, covenant on  
 16 the land, or other similar legal instrument of  
 17 the community land trust when the terms and  
 18 rights in the preemptive purchase option, lease,  
 19 covenant, or legal instrument are and remain  
 20 subject to the requirements of this title;

21 “(B) when the purchase is for—

22 “(i) the purpose of—

23 “(I) entering into the chain of  
 24 title;

1 “(II) enabling a purchase by a  
2 person who meets the qualifications  
3 specified under paragraph (1)(B) and  
4 is on a waitlist maintained by the  
5 community land trust, subject to en-  
6 forcement by the participating juris-  
7 diction of all applicable requirements  
8 of this subtitle, as determined by the  
9 Secretary;

10 “(III) performing necessary reha-  
11 bilitation and improvements; or

12 “(IV) adding a subsidy to pre-  
13 serve affordability, which may be from  
14 Federal or non-Federal sources; or

15 “(ii) another purpose determined ap-  
16 propriate by the Secretary; and

17 “(C) if, within a reasonable period of time  
18 after the applicable purpose under subpara-  
19 graph (B) of this paragraph is fulfilled, as de-  
20 termined by the Secretary, the housing is then  
21 sold to a person who meets the qualifications  
22 specified under paragraph (1)(B).

23 “(3) SUSPENSION OR WAIVER OF REQUIRE-  
24 MENTS FOR MILITARY MEMBERS.—A participating  
25 jurisdiction, in accordance with terms established by

1 the Secretary, may suspend or waive a requirement  
 2 under paragraph (1)(B) with respect to housing that  
 3 otherwise meets the criteria under paragraph (1) if  
 4 the owner of the housing—

5 “(A) is a member of a regular component  
 6 of the armed forces or a member of the Na-  
 7 tional Guard on full-time National Guard duty,  
 8 active Guard and Reserve duty, or inactive-duty  
 9 training (as those terms are defined in section  
 10 101(d) of title 10, United States Code); and

11 “(B) has received—

12 “(i) temporary duty orders to deploy  
 13 with a military unit or military orders to  
 14 deploy as an individual acting in support of  
 15 a military operation, to a location that is  
 16 not within a reasonable distance from the  
 17 housing, as determined by the Secretary,  
 18 for a period of not less than 90 days; or

19 “(ii) orders for a permanent change of  
 20 station.

21 “(4) SUSPENSION OR WAIVER OF REQUIRE-  
 22 MENTS FOR HEIR OR BENEFICIARY OF DECEASED  
 23 OWNER.—Notwithstanding subparagraph (C) of  
 24 paragraph (1), housing that meets the criteria under

1 that paragraph prior to the death of an owner may  
 2 continue to qualify as affordable housing if—

3 “(A) the housing is the principal residence  
 4 of an heir or beneficiary of the deceased owner,  
 5 as defined by the Secretary; and

6 “(B) the heir or beneficiary, in accordance  
 7 with terms established by the Secretary, as-  
 8 sumes the duties and obligations of the de-  
 9 ceased owner with respect to funds provided  
 10 under this title.”.

11 **SEC. 204. HOME PROPERTY INSPECTIONS.**

12 Section 226(b) of the Cranston-Gonzalez National  
 13 Affordable Housing Act (42 U.S.C. 12756(b)) is amend-  
 14 ed—

15 (1) by striking “Each participating jurisdic-  
 16 tion” and inserting the following:

17 “(1) IN GENERAL.—Each participating jurisdic-  
 18 tion”; and

19 (2) by striking “Such review shall include” and  
 20 all that follows and inserting the following:

21 “(2) ON-SITE INSPECTIONS.—

22 “(A) INSPECTIONS BY UNITS OF GENERAL  
 23 LOCAL GOVERNMENT.—A review conducted  
 24 under paragraph (1) by a participating jurisdic-  
 25 tion that is a unit of general local government

1 shall include an on-site inspection to determine  
 2 compliance with housing codes and other appli-  
 3 cable regulations.

4 “(B) INSPECTIONS BY STATES.—A review  
 5 conducted under paragraph (1) by a partici-  
 6 pating jurisdiction that is a State shall include  
 7 an on-site inspection to determine compliance  
 8 with a national standard as determined by the  
 9 Secretary.

10 “(3) INCLUSION IN PERFORMANCE REPORT AND  
 11 PUBLICATION.—A participating jurisdiction shall in-  
 12 clude in the performance report of the participating  
 13 jurisdiction submitted to the Secretary under section  
 14 108(a), and make available to the public, the results  
 15 of each review conducted under paragraph (1).”.

16 **SEC. 205. REVISIONS TO STRENGTHEN ENFORCEMENT AND**  
 17 **PENALTIES FOR NONCOMPLIANCE.**

18 Section 223 of the Cranston-Gonzalez National Af-  
 19 fordable Housing Act (42 U.S.C. 12753) is amended—

20 (1) in the heading, by striking “**PENALTIES**  
 21 **FOR MISUSE OF FUNDS**” and inserting “**PRO-**  
 22 **GRAM ENFORCEMENT AND PENALTIES FOR**  
 23 **NONCOMPLIANCE**”;

24 (2) in the matter preceding paragraph (1), by  
 25 inserting after “any provision of this subtitle” the

1 following: “, including any provision applicable  
 2 throughout the period required by section  
 3 215(a)(1)(E) and applicable regulations,”;

4 (3) in paragraph (2), by striking “or” at the  
 5 end;

6 (4) in paragraph (3), by striking the period at  
 7 the end and inserting “; or”; and

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

9 “(4) reduce payments to the participating juris-  
 10 diction under this subtitle by an amount equal to the  
 11 amount of such payments which were not expended  
 12 in accordance with this title.”.

13 **SEC. 206. TENANT AND PARTICIPANT PROTECTIONS FOR**  
 14 **SMALL-SCALE AFFORDABLE HOUSING.**

15 Section 225 of the Cranston-Gonzalez National Af-  
 16 fordable Housing Act (42 U.S.C. 12755) is amended by  
 17 adding at the end the following:

18 “(e) TENANT SELECTION FOR SMALL-SCALE HOUS-  
 19 ING.—Paragraphs (2) through (4) of subsection (d) shall  
 20 not apply to the owner of small-scale housing (as defined  
 21 in section 215(a)).”.

1 **SEC. 207. ESTABLISHMENT OF HOME LOAN GUARANTEE**  
2 **PROGRAM.**

3 Subtitle A of title II of the Cranston-Gonzalez Na-  
4 tional Affordable Housing Act (42 U.S.C. 12741 et seq.)  
5 is amended by adding at the end the following:

6 **“SEC. 227. GUARANTEE AND COMMITMENT TO GUARANTEE**  
7 **LOANS FOR ACQUISITION OF PROPERTY.**

8 “(a) AUTHORITY.—

9 “(1) IN GENERAL.—The Secretary may, under  
10 such terms and conditions as the Secretary may pre-  
11 scribe, guarantee and make commitments to guar-  
12 antee, only to such extent or in such amounts as  
13 provided in appropriation Acts, the notes or obliga-  
14 tions issued by participating jurisdictions for the  
15 purposes of financing the development or preserva-  
16 tion of affordable rental and homeownership housing  
17 through the acquisition, new construction, recon-  
18 struction, or moderate or substantial rehabilitation  
19 of affordable housing.

20 “(2) ELIGIBLE EXPENSES.—When in support  
21 of the activities described in paragraph (1), the ex-  
22 penses for which the Secretary may guarantee and  
23 make commitments to guarantee notes or obligations  
24 under that paragraph include real property acquisi-  
25 tion, site improvement, conversion, demolition, and  
26 other expenses, including financing costs and reloca-

1       tion expenses of any displaced person, family, or  
2       business.

3       “(b) LIMITATIONS AND REQUIREMENTS.—

4               “(1) ELIGIBILITY.—A guarantee under this sec-  
5       tion may be used to assist a participating jurisdic-  
6       tion in obtaining financing only if the participating  
7       jurisdiction—

8               “(A) has made efforts to obtain such fi-  
9       nancing without the use of the guarantee, as  
10       determined by the Secretary; and

11              “(B) cannot complete such financing con-  
12       sistent with the timely execution of the project  
13       plans without the guarantee, as determined by  
14       the Secretary.

15              “(2) FORM, DENOMINATIONS, MATURITIES, AND  
16       CONDITIONS.—Notes or other obligations guaranteed  
17       under this section shall be in such form and denomi-  
18       nations, have such maturities, and be subject to such  
19       conditions as may be prescribed by regulations  
20       issued by the Secretary.

21              “(3) REPAYMENT PERIOD.—The Secretary may  
22       not deny a guarantee under this section on the basis  
23       of the proposed repayment period for the note or  
24       other obligation unless—

25              “(A) the period is more than 20 years; or

1           “(B) the Secretary determines that the pe-  
 2           riod causes the guarantee to constitute an unac-  
 3           ceptable financial risk.

4           “(4) AGGREGATE PRINCIPAL AMOUNT.—Not-  
 5           withstanding any other provision of law and subject  
 6           only to the absence of qualified applicants or pro-  
 7           posed activities and to the authority provided in this  
 8           section, to the extent approved or provided in appro-  
 9           priation Acts, the Secretary shall enter into commit-  
 10          ments to guarantee notes and obligations under this  
 11          section with an aggregate principal amount of not  
 12          more than—

13           “(A) \$2,000,000,000 for fiscal year 2025;  
 14          and

15           “(B) for each subsequent fiscal year, an  
 16          amount that is increased for inflation as deter-  
 17          mined by the Secretary.

18          “(c) PREREQUISITES.—The Secretary may not make  
 19          a guarantee or commitment to guarantee with respect to  
 20          any note or other obligation if—

21           “(1) the total outstanding notes or obligations  
 22          of the issuer guaranteed under this section would  
 23          thereby exceed an amount equal to 5 times the most  
 24          recent allocation for the issuer under this title; or

1           “(2) the Secretary determines that the guar-  
2           antee constitutes an unacceptable risk.

3           “(d) PAYMENT OF PRINCIPAL, INTEREST, AND  
4 COSTS.—Notwithstanding any other provision of this Act,  
5 a participating jurisdiction allocated funds under this Act  
6 may use the funds (including program income derived  
7 therefrom) for the payment of principal and interest due  
8 (including such servicing, underwriting, or other costs as  
9 may be specified in regulations of the Secretary), and any  
10 associated fee to be paid in accordance with subsection (j),  
11 on a note or other obligation guaranteed under this sec-  
12 tion.

13           “(e) REPAYMENT CONTRACT; SECURITY; PLEDGE BY  
14 PARTICIPATING JURISDICTION.—To assure the repayment  
15 of a note or other obligation guaranteed under this section  
16 and related charges incurred under this section, and as  
17 a condition of receiving such a guarantee, the Secretary  
18 shall require the issuer of the note or other obligation to—

19           “(1) enter into a contract, in a form acceptable  
20           to the Secretary, for repayment of the note or other  
21           obligation;

22           “(2) pledge as security the proceeds of any  
23           grant for which the issuer may become eligible under  
24           this Act; and

1           “(3) furnish, at the discretion of the Secretary,  
 2           such other security as may be determined appro-  
 3           priate by the Secretary in making the guarantee, in-  
 4           cluding increments in local tax receipts generated by  
 5           the activities assisted under this Act or proceeds  
 6           from the sale of land or rehabilitated property.

7           “(f) PLEDGED GRANTS FOR REPAYMENTS.—The  
 8           Secretary may, notwithstanding any other provision of this  
 9           Act, apply the proceeds of a grant pledged by a partici-  
 10          pating jurisdiction under subsection (e)(2) to any repay-  
 11          ment due the United States as a result of the guarantee  
 12          under this section of a note or other obligation issued by  
 13          the participating jurisdiction.

14          “(g) FULL FAITH AND CREDIT OF UNITED STATES;  
 15          CONCLUSIVENESS AND VALIDITY OF GUARANTEE.—

16                 “(1) FULL FAITH AND CREDIT OF UNITED  
 17                 STATES PLEDGED FOR PAYMENT.—The full faith  
 18                 and credit of the United States is pledged to the  
 19                 payment of a note or other obligation guaranteed  
 20                 under this section.

21                 “(2) CONCLUSIVENESS AND VALIDITY OF GUAR-  
 22                 ANTEE.—

23                         “(A) CONCLUSIVENESS.—A     guarantee  
 24                         made by the Secretary under this section shall  
 25                         be conclusive evidence of the eligibility of the

1 obligation for the guarantee with respect to  
2 principal and interest.

3 “(B) VALIDITY.—The validity of a guar-  
4 antee made by the Secretary under this section  
5 shall be incontestable in the hands of a holder  
6 of the guaranteed obligation.

7 “(3) LIMITATION ON PERCENTAGE.—A guar-  
8 antee made under this section shall guarantee repay-  
9 ment of 100 percent of the unpaid principal and in-  
10 terest due on the notes or other obligations guaran-  
11 teed.

12 “(h) LIMIT ON OUTSTANDING OBLIGATIONS; MONI-  
13 TORING USE OF GUARANTEES.—

14 “(1) LIMIT ON OUTSTANDING OBLIGATIONS.—  
15 The total amount of outstanding obligations guaran-  
16 teed on a cumulative basis by the Secretary under  
17 this section may not at any time exceed the greater  
18 of—

19 “(A) \$4,500,000,000; or

20 “(B) such higher amount as may be au-  
21 thorized to be appropriated to carry out this  
22 section for a fiscal year.

23 “(2) MONITORING USE OF GUARANTEES.—

1           “(A) IN GENERAL.—The Secretary shall  
 2           monitor the use of guarantees under this sec-  
 3           tion by participating jurisdictions.

4           “(B) ACTIONS TO ENSURE SUFFICIENT  
 5           AUTHORITY.—If the Secretary finds under sub-  
 6           paragraph (A) that 50 percent of the aggregate  
 7           guarantee authority under paragraph (1) has  
 8           been committed, the Secretary may—

9                   “(i) provide that a unit of general  
 10                  local government that receives a grant  
 11                  under section 211 may not receive more  
 12                  than \$35,000,000 in guarantees under this  
 13                  section; or

14                   “(ii) submit to Congress a request for  
 15                  the enactment of legislation increasing the  
 16                  amount of the aggregate guarantee author-  
 17                  ity.

18           “(i) PURCHASE OF GUARANTEED OBLIGATIONS BY  
 19           FEDERAL FINANCING BANK.—The Federal Financing  
 20           Bank may not purchase a note or other obligation guaran-  
 21           teed under this section.

22           “(j) IMPOSITION OF FEE OR CHARGE.—The Sec-  
 23           retary shall collect fees from borrowers to result in a credit  
 24           subsidy cost of zero for guaranteeing notes or other obliga-  
 25           tions under this section.

1       “(k) GUARANTEE OF OBLIGATIONS BACKED BY  
2 LOANS.—

3               “(1) AUTHORITY.—The Secretary may, upon  
4 such terms and conditions as the Secretary considers  
5 appropriate, guarantee the timely payment of the  
6 principal of and interest on such trust certificates or  
7 other obligations as may be—

8               “(A) offered by the Secretary or by any  
9 other offeror approved for purposes of this sub-  
10 section by the Secretary; and

11              “(B) based on and backed by a trust or  
12 pool composed of notes or other obligations  
13 guaranteed or eligible for guarantee by the Sec-  
14 retary under this section.

15              “(2) FULL FAITH AND CREDIT.—To the same  
16 extent as provided in subsection (g), the full faith  
17 and credit of the United States is pledged to the  
18 payment of all amounts that may be required to be  
19 paid under any guarantee made by the Secretary  
20 under this subsection.

21              “(3) SUBROGATION.—If the Secretary pays a  
22 claim under a guarantee made under this section,  
23 the Secretary shall be subrogated for all the rights  
24 of the holder of the guaranteed certificate or obliga-  
25 tion with respect to the certificate or obligation.

1           “(4) EFFECT OF OTHER LAWS.—No State or  
2           local law, and no Federal law, shall preclude or limit  
3           the exercise by the Secretary of—

4                   “(A) the power to contract with respect to  
5           public offerings and other sales of notes, trust  
6           certificates, and other obligations guaranteed  
7           under this section upon such terms and condi-  
8           tions as the Secretary determines appropriate;

9                   “(B) the right to enforce any contract de-  
10          scribed in subparagraph (A) by any means de-  
11          termined appropriate by the Secretary; or

12                  “(C) any ownership rights of the Sec-  
13          retary, as applicable, in notes, certificates, or  
14          other obligations guaranteed under this section,  
15          or constituting the trust or pool against which  
16          trust certificates, or other obligations guaran-  
17          teed under this section, are offered.”.

1 **TITLE III—REFORMS RELATING**  
 2 **TO COMMUNITY HOUSING DE-**  
 3 **VELOPMENT ORGANIZATION**  
 4 **AND NONPROFIT PARTICIPA-**  
 5 **TION**

6 **SEC. 301. MODIFICATION OF RULES RELATED TO COMMU-**  
 7 **NITY HOUSING DEVELOPMENT ORGANIZA-**  
 8 **TIONS.**

9 (a) DEFINITIONS OF COMMUNITY HOUSING DEVEL-  
 10 OPMENT ORGANIZATION AND COMMUNITY LAND  
 11 TRUST.—

12 (1) IN GENERAL.—Section 104 of the Cran-  
 13 ston-Gonzalez National Affordable Housing Act (42  
 14 U.S.C. 12704) is amended—

15 (A) in paragraph (6)(B)—

16 (i) by striking “significant”; and

17 (ii) by striking “and otherwise” and  
 18 inserting “or as otherwise determined ac-  
 19 ceptable by the Secretary”; and

20 (B) by adding at the end the following:

21 “(26) The term ‘community land trust’ means  
 22 a nonprofit entity or a State or local government or  
 23 instrumentality thereof that—

24 “(A) is not sponsored by a for-profit orga-  
 25 nization;

1 “(B) has as a primary purpose the provi-  
 2 sion and maintenance of housing that provides  
 3 long-term affordability for low- and moderate-  
 4 income persons;

5 “(C) provides housing described in sub-  
 6 paragraph (B) using a ground lease, deed cov-  
 7 enant, or other similar legally enforceable meas-  
 8 ure, as determined by the Secretary, that—

9 “(i) keeps the housing affordable to  
 10 low- and moderate-income persons for not  
 11 less than 30 years; and

12 “(ii) enables low- and moderate-in-  
 13 come persons to purchase the housing for  
 14 homeownership; and

15 “(D) maintains preemptive purchase op-  
 16 tions to purchase the property so the housing  
 17 remains affordable to low-and moderate-income  
 18 persons.”.

19 (2) ELIMINATION OF EXISTING DEFINITION OF  
 20 COMMUNITY LAND TRUST.—Section 233 of the  
 21 Cranston-Gonzalez National Affordable Housing Act  
 22 (42 U.S.C. 12773) is amended by striking sub-  
 23 section (f).

24 (b) SET-ASIDE FOR COMMUNITY HOUSING DEVEL-  
 25 OPMENT ORGANIZATIONS.—Section 231 of the Cranston-

1 Gonzalez national Affordable Housing Act (42 U.S.C.  
2 12771) is amended—

3 (1) in subsection (a), by striking “to be devel-  
4 oped, sponsored, or owned by community housing  
5 development organizations” and inserting “when a  
6 community housing development organization mate-  
7 rially participates in the ownership or development  
8 of such housing, as determined by the Secretary”;

9 (2) by striking subsection (b) and inserting the  
10 following:

11 “(b) RECAPTURE AND REUSE.—If any funds re-  
12 served under subsection (a) remain uninvested for a period  
13 of 24 months, then the Secretary shall make such funds  
14 available to the participating jurisdiction for any eligible  
15 activities under this title without regard to whether a com-  
16 munity housing development organization materially par-  
17 ticipates in the use of the funds.”; and

18 (3) by striking subsection (c).

## 19 **TITLE IV—TECHNICAL** 20 **CORRECTIONS**

### 21 **SEC. 401. TECHNICAL CORRECTIONS.**

22 The Cranston-Gonzalez National Affordable Housing  
23 Act (42 U.S.C. 12701 et seq.) is amended—

24 (1) in section 104 (42 U.S.C. 12704)—

1 (A) by redesignating paragraph (23) (re-  
 2 lating to the definition of the term “to dem-  
 3 onstrate to the Secretary”) as paragraph (22);  
 4 and

5 (B) by redesignating paragraph (24) (re-  
 6 lating to the definition of the term “insular  
 7 area”, as added by section 2(2) of Public Law  
 8 102–230) as paragraph (23);  
 9 (2) in section 105(b) (42 U.S.C. 12705(b))—

10 (A) in paragraph (7), by striking “Stewart  
 11 B. McKinney Homeless Assistance Act” and in-  
 12 serting “McKinney-Vento Homeless Assistance  
 13 Act”; and

14 (B) in paragraph (8), by striking “sub-  
 15 paragraphs” and inserting “paragraphs”;

16 (3) in section 106 (42 U.S.C. 12706), by strik-  
 17 ing “Stewart B. McKinney Homeless Assistance  
 18 Act” and inserting “McKinney-Vento Homeless As-  
 19 sistance Act”;

20 (4) in section 108(a)(1) (42 U.S.C.  
 21 12708(a)(1)), by striking “section 105(b)(15)” and  
 22 inserting “section 105(b)(18)”;

23 (5) in section 212 (42 U.S.C. 12742)—

24 (A) in subsection (a)—

1 (i) in paragraph (3)(A)(ii), by insert-  
 2 ing “United States” before “Housing Act”;  
 3 and

4 (ii) by redesignating paragraph (5) as  
 5 paragraph (4);

6 (B) in subsection (d)(5), by inserting  
 7 “United States” before “Housing Act”; and

8 (C) in subsection (e)(1)—

9 (i) by striking “section 221(d)(3)(ii)”  
 10 and inserting “section 221(d)(4)”; and

11 (ii) by striking “not to exceed 140  
 12 percent” and inserting “as determined by  
 13 the Secretary”;

14 (6) in section 215(a)(6)(B) (42 U.S.C. 20  
 15 12745(a)(6)(B)), by striking “grand children” and  
 16 inserting “grandchildren”;

17 (7) in section 217 (42 U.S.C. 12747)—

18 (A) in subsection (a)—

19 (i) in paragraph (1), by striking “(3)”  
 20 and inserting “(2)”;

21 (ii) by striking paragraph (3), as  
 22 added by section 211(a)(2)(D) of the  
 23 Housing and Community Development Act  
 24 of 1992 (Public Law 102–550; 106 Stat.  
 25 3756); and

(iii) by redesignating the remaining paragraph (3), as added by the matter under the heading “HOME INVESTMENT PARTNERSHIPS PROGRAM” under the heading “HOUSING PROGRAMS” in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993 (Public Law 102–389; 106 Stat. 1581), as paragraph (2); and

(B) in subsection (b)—

(i) in paragraph (1)—

(I) in the first sentence of subparagraph (A)—

(aa) by striking “in regulation” and inserting “, by regulation,”; and

(bb) by striking “eligible jurisdiction” and inserting “eligible jurisdictions”; and

(II) in subparagraph (F)—

(aa) in the first sentence—

(AA) in clause (i), by striking “Subcommittee on Housing and Urban Affairs”

1                                   and       inserting       “Sub-  
 2                                   committee   on   Housing,  
 3                                   Transportation,   and   Com-  
 4                                   munity Development”; and  
 5                                   (BB) in clause (ii), by  
 6                                   striking “Subcommittee on  
 7                                   Housing   and   Community  
 8                                   Development of the Com-  
 9                                   mittee on Banking, Finance  
 10                                  and Urban Affairs” and in-  
 11                                  serting “Subcommittee on  
 12                                  Housing and Insurance of  
 13                                  the Committee on Financial  
 14                                  Services”; and  
 15                                  (bb) in the second sentence,  
 16                                  by striking “the Committee on  
 17                                  Banking, Finance and Urban Af-  
 18                                  fairs of the House of Representa-  
 19                                  tives” and inserting “the Com-  
 20                                  mittee on Financial Services of  
 21                                  the House of Representatives”;  
 22                                  (ii) in paragraph (2)(B), by striking  
 23                                  “\$500,000” each place that term appears  
 24                                  and inserting “\$750,000”;  
 25                                  (iii) in paragraph (3)—

1 (I) by striking “\$500,000” each  
 2 place that term appears and inserting  
 3 “\$750,000”; and

4 (II) by striking “, except as pro-  
 5 vided in paragraph (4)”; and

6 (iv) by striking paragraph (4);

7 (8) in section 220(c) (42 U.S.C. 12750(c))—

8 (A) in paragraph (3), by striking “Sec-  
 9 retary” and all that follows and inserting “Sec-  
 10 retary;”;

11 (B) in paragraph (4), by striking “under  
 12 this title” and all that follows and inserting  
 13 “under this title;”; and

14 (C) by redesignating paragraphs (6), (7),  
 15 and (8) as paragraphs (5), (6), and (7), respec-  
 16 tively;

17 (9) in section 225(d)(4)(B) (42 U.S.C.  
 18 12755(d)(4)(B)), by striking “for” the first place  
 19 that term appears; and

20 (10) in section 283 (42 U.S.C. 12833)—

21 (A) in subsection (a), by striking “Bank-  
 22 ing, Finance and Urban Affairs” and inserting  
 23 “Financial Services”; and

24 (B) in subsection (b), by striking “General  
 25 Accounting Office” each place that term ap-

- 1           pears and inserting “Government Account-
- 2           ability Office”.

