

107TH CONGRESS
1ST SESSION

S. 1457

To extend FHA-insured multifamily housing mortgage and housing assistance restructuring authority, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 24, 2001

Mr. SARBANES (by request) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To extend FHA-insured multifamily housing mortgage and housing assistance restructuring authority, 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. FHA-INSURED MULTIFAMILY HOUSING MORT-
4 GAGE AND HOUSING ASSISTANCE RESTRUC-
5 TURING.

6 (a) OMHAR.—The Multifamily Assisted Housing
7 Reform and Affordability Act of 1997 (42 U.S.C. 1437f
8 note) is amended—

1 (2) in section 572(a)—

2 (A) by striking “President by and with the
3 advice and consent of the Senate” and inserting
4 “Secretary of Housing and Urban Development
5 (referred to in this subtitle as the ‘Secretary’);
6 and

7 (B) by striking the second sentence;

8 (3) in section 573—

12 (B) by striking subsection (d);

13 (4) by repealing sections 576 and 578; and

14 (5) in section 579, by striking “2001” each
15 place it appears and inserting “2004”.

16 (b) PROGRAM CHANGES.—The Multifamily Assisted
17 Housing Reform and Affordability Act of 1997 (42 U.S.C.
18 1437f note) is amended—

1 (2) in section 524(e), by adding at the end the
2 following:

3 “(3) MORTGAGE RESTRUCTURING AND RENTAL
4 ASSISTANCE SUFFICIENCY PLANS.—Notwithstanding
5 paragraph (1), the owner of the project may request,
6 and the Secretary may consider, mortgage restruc-
7 turing and rental assistance sufficiency plans to fa-
8 cilitate sales or transfers of properties under this
9 subtitle, subject to an approved plan of action under
10 the Emergency Low Income Housing Preservation
11 Act of 1987 (12 U.S.C. 1715l note) or the Low-In-
12 come Housing Preservation and Resident Home-
13 ownership Act of 1990 (12 U.S.C. 4101 et seq.),
14 which plans shall result in a sale or transfer of those
15 properties.”;

16 (3) in section 512(2)—

17 (A) in the second sentence, by inserting “,
18 but does include a project described in section
19 524(e)(3)” after “section 524(e);

20 (B) by striking subparagraph (A) and in-
21 serting the following:

22 “(A) in the case of properties described in
23 subparagraph (C) and properties that have
24 rents above a percentage (to be established by
25 the Secretary) of fair market rent, with rents

1 that, on an average per unit or per room
2 basis—

3 “(i) exceed the rent of comparable
4 properties in the same market area, as de-
5 termined by a participating administrative
6 entity or any other independent entity act-
7 ing on behalf of the Secretary and in ac-
8 cordance with guidelines established by the
9 Secretary; or

10 “(ii) exceeded the rent of comparable
11 properties in the same market area, as de-
12 termined by the Secretary, prior to, and
13 notwithstanding, any renewal of project-
14 based assistance under this subtitle;”;

15 (4) in section 517(a)(1)(B), by striking “no
16 more than the” and inserting the following: “not
17 more than the greater of—

18 “(i) the full or partial payment of
19 claim made under this subtitle; or

20 “(ii) the”;

21 (5) in section 513(b), by striking paragraph (6)
22 and redesignating paragraph (7) as paragraph (6);
23 and

24 (6) in section 515(c)(1)—

25 (A) by striking subparagraph (A);

1 (B) by redesignating subparagraphs (B)
2 and (C) as subparagraphs (A) and (B), respec-
3 tively; and

4 (C) in subparagraph (A), as redesignated,
5 by inserting “or” after the semicolon.

6 SEC. 2. ENHANCED VOUCHERS.

7 Section 8(t)(1)(B) of the United States Housing Act
8 of 1937 (42 U.S.C. 1437f(t)(1)(B)) is amended by insert-
9 ing after “paragraph (10)(A) of subsection (o)” the fol-
10 lowing: “and, if a contract was renewed pursuant to sec-
11 tion 514(c) of the Multifamily Assisted Housing Reform
12 and Affordability Act of 1997 (42 U.S.C. 1437f note),
13 subject to the comparable rent limitations provided in sub-
14 paragraphs (A) and (B) of section 514(g)(1) of that Act.”.

15 SEC. 3. TECHNICAL CORRECTION.

16 (a) IN GENERAL.—Section 531(c) of Public Law
17 106–74 (113 Stat. 1116) is amended by striking “514(h)”
18 and inserting “514(h)(1)”.

19 (b) RETROACTIVE EFFECT.—The amendment made
20 by subsection (a) shall be deemed to have the same effec-
21 tive date as section 531 of Public Law 106–74.

