

109TH CONGRESS
1ST SESSION

H. R. 3266

To condition the receipt of Federal housing funds by a State or political subdivision of a State, or any agency or office thereof, on the preparation of an economic housing impact analysis regarding any new rule proposed by the State, political subdivision, agency, or office that has a significant adverse economic impact on housing construction costs or housing affordability of \$50,000,000 or more, and for other other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 13, 2005

Mr. ANDREWS introduced the following bill; which was referred to the
Committee on Financial Services

A BILL

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

1 **SECTION 1. CONDITION ON FEDERAL FUNDING.**

2 (a) IN GENERAL.—No Federal housing funds may be
3 provided to a State or a political subdivision of a State,
4 or to any agency or office thereof, unless the Secretary
5 of Housing and Urban Development determines that the
6 State has in effect a State law that—

7 (1) requires the preparation of an economic
8 analysis of any housing rule change proposed by the
9 State, political subdivision, agency, or office that
10 may have a significant adverse impact on housing
11 construction costs or housing affordability; and

12 (2) satisfies the requirements of section 2 with
13 respect to the contents of such analysis.

14 (b) EFFECTIVE DATE.—The condition imposed by
15 subsection (a) shall take effect one year after the date of
16 enactment of this Act.

17 **SEC. 2. PROPOSED RULE AND ECONOMIC HOUSING IMPACT**
18 **ANALYSIS.**

19 (a) APPLICABILITY.—The requirements of this sec-
20 tion shall apply with respect to any proposed or final rule,
21 unless the State or political subdivision of a State, or any
22 agency or office thereof, promulgating the rule certifies
23 that the proposed or final rule will not, if given force or
24 effect as a final rule, have a significant adverse impact
25 on housing construction cost or housing affordability.

1 (b) CERTIFICATION.—Any State or political subdivi-
2 sion of a State, or any agency or office thereof, making
3 a certification under subsection (a), shall submit to the
4 Secretary a copy of such certification and a statement pro-
5 viding the factual basis for such certification.

6 (c) PUBLIC DISCLOSURE.—

7 (1) NOTICE AND COMMENT PERIOD FOR PRO-
8 POSED RULE REQUIRED.—

9 (A) IN GENERAL.—Whenever any State or
10 political subdivision of a State, or any agency or
11 office thereof, proposes a rule that will have a
12 significant impact on housing construction costs
13 or housing affordability, the State, political sub-
14 division, agency, or office shall make a public
15 announcement of the proposed rule that—

16 (i) states with particularity the text of
17 the proposed rule; and

18 (ii) requests any interested persons to
19 submit to the State, political subdivision,
20 agency, or office any written analyses,
21 data, view, or arguments, along with any
22 specific alternatives to the proposed rule.

23 (B) TIMING.—The State, political subdivi-
24 sion, agency, office shall provide reasonable
25 time and opportunity for interested persons to

1 take the actions specified under subparagraph
2 (A)(ii) before promulgation of the proposed
3 rule.

4 (2) NOTICE AND COMMENT PERIOD FOR ECO-
5 NOMIC HOUSING IMPACT ANALYSIS REQUIRED.—
6 Whenever any State or political subdivision of a
7 State, or any agency or office thereof, proposes a
8 rule that will have a significant adverse impact on
9 housing construction costs or housing affordability,
10 the State, political subdivision, agency, or office shall
11 prepare and make available to the public for com-
12 ment a copy of the economic housing impact analysis
13 in accordance with subsection (d).

14 (d) ECONOMIC HOUSING IMPACT ANALYSIS.—

15 (1) REQUIREMENTS.—Each economic housing
16 impact analysis shall—

17 (A) describe the impact of the proposed
18 rule on housing construction costs or housing
19 affordability; and

20 (B) be made available to the public for
21 comment at the same time as, and together
22 with, the public announcement of the proposed
23 rule.

24 (2) TRANSMITTAL TO SECRETARY.—Any State,
25 political subdivision, agency, or office that prepares

1 an economic housing impact analysis shall transmit
2 to the Secretary such analysis.

3 (3) CONTENTS.—Each economic housing im-
4 pact analysis required under this subsection shall
5 contain—

6 (A) a description of the reasons why action
7 by the State, political subdivision, agency, or of-
8 fice is being considered;

9 (B) a succinct statement of the objectives
10 of, and legal basis for, the proposed rule;

11 (C) a summary of the significant issues,
12 analyses, and any alternatives to the proposed
13 rule, a summary of the assessment of the State,
14 political subdivision, agency, or office of such
15 issues, analyses, and alternatives;

16 (D) a description of and, where prac-
17 ticable, an estimate of the extent to which the
18 proposed rule will impact housing construction
19 costs or housing affordability, or an explanation
20 of why no such estimate is available; and

21 (E) an identification, to the extent prac-
22 ticable, of all relevant Federal or State rules
23 which may duplicate, overlap, or conflict with
24 the proposed rule.

1 (e) PREPARATION OF ANALYSES.—In complying with
2 the provisions of subsection (d), the State, political sub-
3 division, agency, or office may provide either a quantifi-
4 able or numerical description of the effects of a proposed
5 rule or alternatives to the proposed rule, or more general
6 descriptive statements if quantification is not practicable
7 or reliable.

8 (f) DEVELOPMENT OF MODEL.—Not later than six
9 months from the date of the enactment of this Act, the
10 Secretary shall develop a model economic housing impact
11 analysis under this section and shall publish such model
12 in the Federal Register. The model analyses shall define
13 the primary elements of an economic housing impact anal-
14 ysis to instruct the States or political subdivisions of the
15 States, or any agencies or offices thereof, on how to carry
16 out and develop the analyses required under subsection
17 (d).

18 **SEC. 3. DEFINITIONS.**

19 In this Act:

20 (1) FEDERAL HOUSING FUNDS.—The term
21 “Federal housing funds” means funds provided
22 under any program administered by the Secretary of
23 Housing and Urban Development that provides
24 housing assistance to any State or political subdivi-

1 sion of a State, or to any agency or office thereof,
2 including any public housing agency.

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

5 (3) SIGNIFICANT ADVERSE IMPACT.—The term
6 “significant adverse impact”, with respect to a rule,
7 means that the rule, if given force or effect as a
8 final rule, will increase housing construction costs or
9 housing affordability for consumers by more than
10 \$50,000,000 per year.

11 (4) STATE.—The term “State” means any
12 State of the United States, the District of Columbia,
13 the Commonwealth of Puerto Rico, and any other
14 commonwealth, possession, or territory of the United
15 States.

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