

FRELINGHUYSEN, Mr. WATTS of Oklahoma, Mr. ISTOOK, Mr. GOSS, Mr. HUTCHINSON, Mrs. FOWLER, Mr. SANFORD, Mr. SCARBOROUGH, Mr. SOLOMON, Mr. MILLER of Florida, Mr. LEWIS of California, Mr. COOLEY, Mr. HEFLEY, and Mr. BASS.

H. Res. 358: Mr. MINGE.

H. Res. 374: Mr. HUTCHINSON, Mrs. MEYERS of Kansas, Mr. TORKILDSEN, and Mr. FRANKS of New Jersey.

H. Res. 385: Mr. FROST, Ms. FURSE, Mr. HAYWORTH, Mr. PETE GEREN of Texas, and Mr. THOMPSON.

### AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2406

OFFERED BY: MR. BARRETT OF WISCONSIN

AMENDMENT NO. 1: Page 41, line 13, strike "EXCEPTIONS.—" and insert "EXCEPTION FOR VOLUNTEERS.—".

Page 41, strike lines 16 through 18 and insert the following:

to public housing, shall not apply to any individual who—

Page 42, strike lines 3 through 8.

H.R. 2406

OFFERED BY: MR. EHRlich

AMENDMENT NO. 2: Page 43, after line 16, insert the following new section:

#### SEC. 115. PROHIBITION ON USE OF FUNDS.

Notwithstanding any other provision of law, none of the amounts provided under this Act may be used for the purpose of funding the relocation of public housing residents and applicants from Baltimore City, Maryland, to other jurisdiction in the State of Maryland if such relocation is in connection with any settlement, consent decree, injunction, judgment, or other resolution of litigation brought by public housing residents of Baltimore City, Maryland, concerning the demolition of certain public housing units in such city.

H.R. 2406

OFFERED BY: MR. EHRlich

AMENDMENT NO. 3: Page 181, after line 6, insert the following new section:

#### SEC. 374. PROHIBITION OF USE OF RACE IN DEFINING AREAS FOR USE OF RENTAL ASSISTANCE

The Secretary, a local housing and management authority, and any other entity involved in the provision of housing assistance under this title, may not define, establish, or otherwise indicate any geographical region for purposes of any requirement, limitation, or other provision relating to the use of such assistance that is based, in whole or in part, on the racial characteristics of the population (or any portion of the population) of such region.

H.R. 2406

OFFERED BY: MR. FIELDS OF LOUISIANA

AMENDMENT NO. 4: Page 14, strike line 18 and all that follows through page 16, line 18, and insert the following:

(A) IN GENERAL.—In localities in which a local housing and management authority is governed by a board of directors or other similar body, not less than 25 percent of the members of the board or body shall be individuals who are—

(i) residents of public housing dwelling units owned or operated by the authority; or

(ii) members of assisted families under title III.

(B) ELECTION AND TRAINING.—Members of the board of directors or other similar body by reason of subparagraph (A) shall be se-

lected for such membership in an election in which only residents of public housing dwelling units owned or operated by the authority and members of assisted families under title III who are assisted by the authority are eligible to vote. The authority shall provide such members with training appropriate to assist them to carry out their responsibilities as members of the board or other similar body.

H.R. 2406

OFFERED BY: MR. FIELDS OF LOUISIANA

AMENDMENT NO. 5: Page 17, after line 17, insert the following new subsection:

(d) LOCAL ADVISORY BOARD.—

(1) IN GENERAL.—Except as provided in paragraph (4), each local housing and management authority shall establish one or more local advisory boards in accordance with this subsection, the membership of which shall adequately reflect and represent all of the residents of the dwelling units owned, operated, or assisted by the local housing and management authority.

(2) MEMBERSHIP.—Each local advisory board established under this subsection shall be composed of the following members:

(A) TENANTS.—Not less than 60 percent of the members of the board shall be tenants of dwelling units owned, operated, or assisted by the local housing and management authority, including representatives of any resident organizations.

(B) OTHER MEMBERS.—The members of the board, other than the members described in subparagraph (A), shall include—

(i) representatives of the community in which the local housing and management authority is located; and

(ii) local government officials of the community in which the local housing and management authority is located.

(3) PURPOSE.—Each local advisory board established under this subsection shall assist and make recommendations regarding the development of the local housing management plan for the authority. The local housing and management authority shall consider the recommendations of the local advisory board in preparing the final local housing management plan, and shall include a copy of those recommendations in the local housing management plan submitted to the Secretary under section 107.

(4) WAIVER.—The Secretary may waive the requirements of this subsection with respect to tenant representation on the local advisory board of a local housing and management authority, if the authority demonstrates to the satisfaction of the Secretary that a resident council or other tenant organization of the local housing and management authority adequately represents the interests of the tenants of the authority.

H.R. 2406

OFFERED BY: MR. FILNER

AMENDMENT NO. 6: Page 170, after line 3, insert the following new section:

#### SEC. 330. ASSISTANCE FOR RENTAL OF MANUFACTURED HOMES.

(a) AUTHORITY.—Nothing in this title may be construed to prevent a local housing and management authority from providing housing assistance under this title on behalf of a low-income family for the rental of—

(1) a manufactured home that is the principal residence of the family and the real property on which the home is located; or

(2) the real property on which is located a manufactured home, which is owned by the family and is the principal residence of the family.

(b) ASSISTANCE FOR CERTAIN FAMILIES OWNING MANUFACTURED HOMES.—

(1) AUTHORITY.—Notwithstanding section 351 or any other provision of this title, a

local housing and management authority that receives amounts under a contract under section 302 may enter into a housing assistance payment contract to make assistance payments under this title to a family that owns a manufactured home, but only as provided in paragraph (2).

(2) LIMITATIONS.—In the case of a low-income family that owns a manufactured home, rents the real property on which it is located, and to whom housing assistance under this title has been made available for the rental of such property, the local housing and management authority making such assistance available shall enter into a contract to make housing assistance payments under this title directly to the family (rather than to the owner of such real property) if—

(1) the owner of the real property refuses to enter into a contract to receive housing assistance payments pursuant to section 351(a);

(2) the family was residing in such manufactured home on such real property at the time such housing assistance was initially made available on behalf of the family;

(3) the family provides such assurances to the agency, as the Secretary may require, to ensure that amounts from the housing assistance payments are used for rental of the real property; and

(4) the rental of the real property otherwise complies with the requirements for assistance under this title.

A contract pursuant to this subsection shall be subject to the provisions of section 351 and any other provisions applicable to housing assistance payments contracts under this title, except that the Secretary may provide such exceptions as the Secretary considers appropriate to facilitate the provision of assistance under this subsection.

H.R. 2406

OFFERED BY: MR. FRANK OF MASSACHUSETTS

AMENDMENT NO. 7: Page 76, after line 16, insert the following:

Notwithstanding any other provision of this subsection, the amount paid by a family for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income.

Page 157, after line 26, insert the following new subsection:

(b) LIMITATION.—Notwithstanding any other provision of this section, the amount paid by an assisted family for monthly rent for an assisted dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located may not exceed 30 percent of the family's adjustment monthly income.

Page 158, line 1, strike "(b)" and insert "(c)".

Page 158, line 9, strike "(c)" and insert "(d)".

Page 158, line 1, strike "(d)" and insert "(e)".

Page 172, lines 9 through 11, strike "the amount of the resident contribution determined in accordance with section 322" and insert "the lesser of the amount of the resident contribution determined in accordance with section 322 or 30 percent of the family's adjusted monthly income".

H.R. 2406

OFFERED BY: MR. GUTIERREZ

AMENDMENT NO. 8: Page 41, line 13, strike "EXCEPTIONS.—" and insert "EXCEPTION FOR VOLUNTEERS.—".

Page 41, strike lines 16 through 18 and insert the following:

to public housing, shall not apply to any individual who—

Page 42, strike lines 3 through 8.

H.R. 2406

OFFERED BY: MR. HAYWORTH

AMENDMENT NO. 9: Page 9, strike line 12 and all that follows through page 10, line 12.

Page 13, line 2, after "Samoa," insert "and".

Page 13, line 3, strike ", and Indian tribes".

Page 13, lines 19 and 20, strike "or Indian housing authority".

Page 14, after line 8, insert the following:

The term does not include any entity that is Indian housing authority for purposes of the United States Housing Act of 1937 (as in effect before the enactment of this Act) or a tribally designated housing entity, as such term is defined in section 604.

Page 43, after line 4, insert the following new section:

**SEC. 114. INAPPLICABILITY TO INDIAN HOUSING.**

Except as specifically provided by law, the provisions of this title, and titles II, III, and IV shall not apply to public housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority or to housing assisted under the Native American Housing Assistance and Self-Determination Act of 1996.

Page 53, strike line 19 and all that follows through page 54, line 5.

Page 57, line 20, strike "and Indian".

Page 89, strike lines 11 through 15.

Page 102, lines 19 and 20, strike ", except that it does not include Indian housing authorities".

Page 144, line 2, strike "and Indian".

Page 144, strike lines 11 through 15.

Page 144, line 16, strike "(d)" and insert "(c)".

Page 217, strike lines 16 through 20.

At the end of the bill, insert the following new title:

**TITLE VI—NATIVE AMERICAN HOUSING ASSISTANCE**

**SECTION 601. SHORT TITLE.**

This title may be cited as the "Native American Housing Assistance and Self-Determination Act of 1996".

**SEC. 602. CONGRESSIONAL FINDINGS.**

The Congress hereby finds that—

(1) the Federal Government has a responsibility to promote the general welfare of the Nation—

(A) by using Federal resources to aid families and individuals seeking affordable homes that are safe, clean, and healthy and, in particular, assisting responsible, deserving citizens who cannot provide fully for themselves because of temporary circumstances or factors beyond their control;

(B) by working to ensure a thriving national economy and a strong private housing market; and

(C) by developing effective partnerships among the Federal Government, State and local governments, and private entities that allow government to accept responsibility for fostering the development of a healthy marketplace and allow families to prosper without government involvement in their day-to-day activities;

(2) there exists a unique relationship between the Government of the United States and the governments of Indian tribes and a unique Federal responsibility to Indian people;

(3) the Constitution of the United States invests the Congress with plenary power over the field of Indian affairs, and through treaties, statutes, and historical relations with Indian tribes, the United States has undertaken a trust responsibility to protect Indian tribes;

(4) the Congress, through treaties, statutes, and the general course of dealing with Indian tribes, has assumed the responsibility

for the protection and preservation of Indian tribes and for working with tribes and their members to improve their socio-economic status so that they are able to take greater responsibility for their own economic condition;

(5) providing affordable and healthy homes is an essential element in the special role of the United States in helping tribes and their members to achieve a socio-economic status comparable to their non-Indian neighbors;

(6) the need for affordable and healthy homes on Indian reservations, in Indian communities, and in Native Alaskan villages is acute and the Federal Government should work not only to provide housing assistance, but also, to the extent practicable, to assist in the development of private housing finance mechanisms on Indian lands to achieve the goals of economic self-sufficiency and self-determination for tribes and their members; and

(7) Federal assistance to meet these responsibilities should be provided in a manner that recognizes the right of tribal self-governance by making such assistance available directly to the tribes or tribally designated entities.

**SEC. 603. ADMINISTRATION THROUGH OFFICE OF NATIVE AMERICAN PROGRAMS.**

The Secretary of Housing and Urban Development shall carry out this title through the Office of Native American Programs of the Department of Housing and Urban Development.

**SEC. 604. DEFINITIONS.**

For purposes of this title, the following definitions shall apply:

(1) **AFFORDABLE HOUSING.**—The term "affordable housing" means housing that complies with the requirements for affordable housing under subtitle B. The term includes permanent housing for homeless persons who are persons with disabilities, transitional housing, and single room occupancy housing.

(2) **FAMILIES AND PERSONS.**—

(A) **SINGLE PERSONS.**—The term "families" includes families consisting of a single person in the case of (i) an elderly person, (ii) a disabled person, (iii) a displaced person, (iv) the remaining members of a tenant family, and (v) any other single persons.

(B) **FAMILIES.**—The term "families" includes families with children and, in the cases of elderly families, near-elderly families, and disabled families, means families whose heads (or their spouses), or whose sole members, are elderly, near-elderly, or persons with disabilities, respectively. The term includes, in the cases of elderly families, near-elderly families, and disabled families, 2 or more elderly persons, near-elderly persons, or persons with disabilities living together, and 1 or more such persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

(C) **ABSENCE OF CHILDREN.**—The temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size for purposes of this title.

(D) **ELDERLY PERSON.**—The term "elderly person" means a person who is at least 62 years of age.

(E) **PERSON WITH DISABILITIES.**—The term "person with disabilities" means a person who—

(i) has a disability as defined in section 223 of the Social Security Act,

(ii) is determined, pursuant to regulations issued by the Secretary, to have a physical, mental, or emotional impairment which (I) is expected to be of long-continued and indefinite duration, (II) substantially impedes his or her ability to live independently, and (III) is of such a nature that such ability

could be improved by more suitable housing conditions, or

(iii) has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

(F) **DISPLACED PERSON.**—The term "displaced person" means a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

(G) **NEAR-ELDERLY PERSON.**—The term "near-elderly person" means a person who is at least 50 years of age but below the age of 62.

(3) **GRANT BENEFICIARY.**—The term "grant beneficiary" means the Indian tribe or tribes on behalf of which a grant is made under this title to a recipient.

(4) **INDIAN.**—The term "Indian" means any person who is a member of an Indian tribe.

(5) **INDIAN AREA.**—The term "Indian area" means the area within which a tribally designated housing entity is authorized to provide assistance under this title for affordable housing.

(6) **INDIAN TRIBE.**—The term "Indian tribe" means—

(A) any Indian tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians pursuant to the Indian Self-Determination and Education Assistance Act of 1975; and

(B) any tribe, band, nation, pueblo, village, or community that—

(i) has been recognized as an Indian tribe by any State; and

(ii) for which an Indian housing authority is eligible, on the date of the enactment of this title, to enter into a contract with the Secretary pursuant to the United States Housing Act of 1937.

(7) **LOCAL HOUSING PLAN.**—The term "local housing plan" means a plan under section 612.

(8) **LOW-INCOME FAMILY.**—The term "low-income family" means a family whose income does not exceed 80 percent of the median income for the area, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the authority's findings that such variations are necessary because of unusually high or low family incomes.

(9) **MEDIAN INCOME.**—The term "median income" means, with respect to an area that is an Indian area, the greater of—

(A) the median income for the Indian area, which the Secretary shall determine; or

(B) the median income for the United States.

(10) **RECIPIENT.**—The term "recipient" means the entity for an Indian tribe that is authorized to receive grant amounts under this title on behalf of the tribe, which may only be the tribe or the tribally designated housing entity for the tribe.

(11) **TRIBALLY DESIGNATED HOUSING ENTITY.**—The terms "tribally designated housing entity" and "housing entity" have the following meaning:

(A) EXISTING IHA'S.—For any Indian tribe that has not taken action under subparagraph (B) and for which an Indian housing authority—

(i) was established for purposes of the United States Housing Act of 1937 before the date of the enactment of this title that meets the requirements under the United States Housing Act of 1937.

(ii) is acting upon such date of enactment as the Indian housing authority for the tribe, and

(iii) is not an Indian tribe for purposes of this title,

the terms mean such Indian housing authority.

(B) OTHER ENTITIES.—For any Indian tribe that, pursuant to this Act, authorizes an entity other than the tribal government to receive grant amounts and provide assistance under this title for affordable housing for Indians, which entity is established—

(i) by exercise of the power of self-government of an Indian tribe independent of State law, or

(ii) by operation of State law providing specifically for housing authorities or housing entities for Indians, including regional housing authorities in the State of Alaska, the terms mean such entity.

A tribally designated housing entity may be authorized or established by one or more Indian tribes to act on behalf of each such tribe authorizing or establishing the housing entity. Nothing in this title may be construed to affect the existence, or the ability to operate, of any Indian housing authority established before the date of the enactment of this title by a State-recognized tribe, band, nation, pueblo, village, or community of Indian or Alaska Natives that is not an Indian tribe for purposes of this title.

(12) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development, except as otherwise specified in this title.

#### Subtitle A—Block Grants and Grant Requirements

##### SEC. 611. BLOCK GRANTS.

(a) AUTHORITY.—For each fiscal year, the Secretary shall (to the extent amounts are made available to carry out this title) make grants under this section on behalf of Indian tribes to carry out affordable housing activities. Under such a grant on behalf of an Indian tribe, the Secretary shall provide the grant amounts for the tribe directly to the recipient for the tribe.

(b) CONDITION OF GRANT.—

(1) IN GENERAL.—The Secretary may make a grant under this title on behalf of an Indian tribe for a fiscal year only if—

(A) the Indian tribe has submitted to the Secretary a local housing plan for such fiscal year under section 612; and

(B) the plan has been determined under section 613 to comply with the requirements of section 612.

(2) WAIVER.—The Secretary may waive the applicability of the requirements under paragraph (1), in whole or in part, if the Secretary finds that an Indian tribe has not complied or can not comply with such requirements because of circumstances beyond the control of the tribe.

(c) AMOUNT.—Except as otherwise provided under subtitle B, the amount of a grant under this section to a recipient for a fiscal year shall be—

(1) in the case of a recipient whose grant beneficiary is a single Indian tribe, the amount of the allocation under section 641 for the Indian tribe; and

(2) in the case of a recipient whose grant beneficiary is more than 1 Indian tribe, the sum of the amounts of the allocations under section 641 for each such Indian tribe.

(d) USE FOR AFFORDABLE HOUSING ACTIVITIES.—Except as provided in subsection (f), amounts provided under a grant under this section may be used only for affordable housing activities under subtitle B.

(e) EFFECTUATION OF LHP.—Except as provided in subsection (f), amounts provided under a grant under this section may be used only for affordable housing activities that are consistent with the approved local housing plan under section 613 for the grant beneficiary on whose behalf the grant is made.

(f) ADMINISTRATIVE EXPENSES.—

(1) IN GENERAL.—The Secretary shall, by regulation, authorize each recipient to use a percentage of any grant amounts received under this title for any administrative and planning expenses of the recipient relating to carrying out this title and activities assisted with such amounts, which may include costs for salaries of individuals engaged in administering and managing affordable housing activities assisted with grant amounts provided under this title and expenses of preparing a local housing plan under section 612.

(2) CONTENTS OF REGULATIONS.—The regulations referred to in paragraph (1) shall provide that—

(A) the Secretary shall, for each recipient, establish a percentage referred to in paragraph (1) based on the specific circumstances of the recipient and the tribes served by the recipient; and

(B) the Secretary may review the percentage for a recipient upon the written request of the recipient specifying the need for such review or the initiative of the Secretary and, pursuant to such review, may revise the percentage established for the recipient.

(g) PUBLIC-PRIVATE PARTNERSHIPS.—Each recipient shall make all reasonable efforts, consistent with the purposes of this title, to maximize participation by the private sector, including nonprofit organizations and for-profit entities, in implementing the approved local housing plan for the tribe that is the grant beneficiary.

##### SEC. 612. LOCAL HOUSING PLANS.

(a) IN GENERAL.—

(1) SUBMISSION.—The Secretary shall provide for an Indian tribe to submit to the Secretary, for each fiscal year, a local housing plan under this section for the tribe (or for the tribally designated housing entity for a tribe to submit the plan under subsection (e) for the tribe) and for the review of such plans.

(2) LOCALLY DRIVEN NATIONAL OBJECTIVES.—A local housing plan shall describe—

(A) the mission of the tribe with respect to affordable housing or, in the case of a recipient that is a tribally designated housing entity, the mission of the housing entity;

(B) the goals, objectives, and policies of the recipient to meet the housing needs of low-income families in the jurisdiction of the housing entity, which shall be designed to achieve the national objectives under section 621(a); and

(C) how the locally established mission and policies of the recipient are designed to achieve, and are consistent with, the national objectives under section 621(a).

(b) 5-YEAR PLAN.—Each local housing plan under this section for an Indian tribe shall contain, with respect to the 5-year period beginning with the fiscal year for which the plan is submitted, the following information:

(1) LOCALLY DRIVEN NATIONAL OBJECTIVES.—The information described in subsection (a)(2).

(2) CAPITAL IMPROVEMENT OVERVIEW.—If the recipient will provide capital improvements for housing described in subsection (c)(3) during such period, an overview of such improvements, the rationale for such improve-

ments, and an analysis of how such improvements will enable the recipient to meet its goals, objectives, and mission.

(c) 1-YEAR PLAN.—A local housing plan under this section for an Indian tribe shall contain the following information relating to the upcoming fiscal year for which the assistance under this title is to be made available:

(1) FINANCIAL RESOURCES.—An operating budget for the recipient for the tribe that includes—

(A) identification and a description of the financial resources reasonably available to the recipient to carry out the purposes of this title, including an explanation of how amounts made available will leverage such additional resources; and

(B) the uses to which such resources will be committed, including eligible and required affordable housing activities under subtitle B to be assisted and administrative expenses.

(2) AFFORDABLE HOUSING.—For the jurisdiction within which the recipient is authorized to use assistance under this title—

(A) a description of the estimated housing needs and the need for assistance for very low-income and moderate-income families;

(B) a description of the significant characteristics of the housing market, indicating how such characteristics will influence the use of amounts made available under this title for rental assistance, production of new units, rehabilitation of old units, or acquisition of existing units;

(C) a description of the structure, means of cooperation, and coordination between the recipient and any units of general local government in the development, submission, and implementation of their housing plans, including a description of the involvement of any private industries, nonprofit organizations, and public institutions;

(D) a description of how the plan will address the housing needs identified pursuant to subparagraph (A), describing the reasons for allocation priorities, and identify any obstacles to addressing underserved needs;

(E) a description of any homeownership programs of the recipient to be carried out with respect to affordable housing assisted under this title and the requirements and assistance available under such programs;

(F) a certification that the recipient will maintain written records of the standards and procedures under which the recipient will monitor activities assisted under this title and ensure long-term compliance with the provisions of this title;

(G) a certification that the recipient will comply with title II of the Civil Rights Act of 1968 in carrying out this title, to the extent that such title is applicable;

(H) a statement of the number of families for whom the recipient will provide affordable housing using grant amounts provided under this title;

(I) a statement of how the goals, programs, and policies for producing and preserving affordable housing will be coordinated with other programs and services for which the recipient is responsible and the extent to which they will reduce (or assist in reducing) the number of households with incomes below the poverty line; and

(J) a certification that the recipient has obtain insurance coverage for any housing units that are owned or operated by the tribe or the tribally designated housing entity for the tribe and assisted with amounts provided under this Act, in compliance with such requirements as the Secretary may establish.

(3) INDIAN HOUSING DEVELOPED UNDER UNITED STATES HOUSING ACT OF 1937.—A plan describing how the recipient for the tribe will comply with the requirements under section 623 relating to low-income housing owned or

operated by the housing entity that was developed pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937, which shall include—

(A) a certification that the recipient will maintain a written record of the policies of the recipient governing eligibility, admissions, and occupancy of families with respect to dwelling units in such housing;

(B) a certification that the recipient will maintain a written record of policies of the recipient governing rents charged for dwelling units in such housing, including—

(i) the methods by which such rents are determined; and

(ii) an analysis of how such methods affect—

(I) the ability of the recipient to provide affordable housing for low-income families having a broad range of incomes;

(II) the affordability of housing for families having incomes that do not exceed 30 percent of the median family income for the area; and

(III) the availability of other financial resources to the recipient for use for such housing;

(C) a certification that the recipient will maintain a written record of the standards and policies of the recipient governing maintenance and management of such housing, and management of the recipient with respect to administration of such housing, including—

(i) housing quality standards;

(ii) routine and preventative maintenance policies;

(iii) emergency and disaster plans;

(iv) rent collection and security policies;

(v) priorities and improvements for management of the housing; and

(vi) priorities and improvements for management of the recipient, including improvement of electronic information systems to facilitate managerial capacity and efficiency;

(D) a plan describing—

(i) the capital improvements necessary to ensure long-term physical and social viability of such housing; and

(ii) the priorities of the recipient for capital improvements of such housing based on analysis of available financial resources, consultation with residents, and health and safety considerations;

(E) a description of any such housing to be demolished or disposed of, a timetable for such demolition or disposition, and any information required under law with respect to such demolition or disposition;

(F) a description of how the recipient will coordinate with tribal and State welfare agencies to ensure that residents of such housing will be provided with access to resources to assist in obtaining employment and achieving self-sufficiency; and

(G) a description of the requirements established by the recipient that promote the safety of residents of such housing, facilitate the housing entity undertaking crime prevention measures (such as community policing, where appropriate), allow resident input and involvement, and allow for creative methods to increase resident safety by coordinating crime prevention efforts between the recipient and tribal or local law enforcement officials.

(4) INDIAN HOUSING LOAN GUARANTEES AND OTHER HOUSING ASSISTANCE.—A description of how loan guarantees under section 184 of the Housing and Community Development Act of 1992, and other housing assistance provided by the Federal Government for Indian tribes (including grants, loans, and mortgage insurance) will be used to help in meeting the needs for affordable housing in the jurisdiction of the recipient.

(5) DISTRIBUTION OF ASSISTANCE.—A certification that the recipient for the tribe will maintain a written record of—

(A) the geographical distribution (within the jurisdiction of the recipient) of the use of grant amounts and how such geographical distribution is consistent with the geographical distribution of housing need (within such jurisdiction); and

(B) the distribution of the use of such assistance for various categories of housing and how use for such various categories is consistent with the priorities of housing need (within the jurisdiction of the recipient).

(d) PARTICIPATION OF TRIBALLY DESIGNATED HOUSING ENTITY.—A plan under this section for an Indian tribe may be prepared and submitted on behalf of the tribe by the tribally designated housing entity for the tribe, but only if such plan contains a certification by the recognized tribal government of the grant beneficiary that such tribe has had an opportunity to review the plan and has authorized the submission of the plan by the housing entity.

(e) COORDINATION OF PLANS.—A plan under this section may cover more than 1 Indian tribe, but only if the certification requirements under subsection (d) are complied with by each such grant beneficiary covered.

(f) PLANS FOR SMALL TRIBES.—

(1) SEPARATE REQUIREMENTS.—The Secretary shall establish requirements for submission of plans under this section and the information to be included in such plans applicable to small Indian tribes and small tribally designated housing entities. Such requirements shall waive any requirements under this section that the Secretary determines are burdensome or unnecessary for such tribes and housing entities.

(2) SMALL TRIBES.—The Secretary shall define small Indian tribes and small tribally designated housing entities based on the number of dwelling units assisted under this subtitle by the tribe or housing entity or owned or operated pursuant to a contract under the United States Housing Act of 1937 between the Secretary and the Indian housing authority for the tribe.

(g) REGULATIONS.—The requirements relating to the contents of plans under this section shall be established by regulation, pursuant to section 616.

#### SEC. 613. REVIEW OF PLANS.

(a) REVIEW AND NOTICE.—

(1) REVIEW.—The Secretary shall conduct a limited review of each local housing plan submitted to the Secretary to ensure that the plan complies with the requirements of section 612. The Secretary shall have the discretion to review a plan only to the extent that the Secretary considers review is necessary.

(2) NOTICE.—The Secretary shall notify each Indian tribe for which a plan is submitted and any tribally designated housing entity for the tribe whether the plan complies with such requirements not later than 45 days after receiving the plan. If the Secretary does not notify the Indian tribe, as required under this subsection and subsection (b), the plan shall be considered, for purposes of this title, to have been determined to comply with the requirements under section 612 and the tribe shall be considered to have been notified of compliance upon the expiration of such 45-day period.

(b) NOTICE OF REASONS FOR DETERMINATION OF NONCOMPLIANCE.—If the Secretary determines that a plan, as submitted, does not comply with the requirements under section 612, the Secretary shall specify in the notice under subsection (a) the reasons for the non-compliance and any modifications necessary for the plan to meet the requirements under section 612.

(c) STANDARDS FOR DETERMINATION OF NON-COMPLIANCE.—The Secretary may determine that a plan does not comply with the requirements under section 612 only if—

(1) the plan is not consistent with the national objectives under section 621(a);

(2) the plan is incomplete in significant matters required under such section;

(3) there is evidence available to the Secretary that challenges, in a substantial manner, any information provided in the plan;

(4) the Secretary determines that the plan violates the purposes of this title because it fails to provide affordable housing that will be viable on a long-term basis at a reasonable cost; or

(5) the plan fails to adequately identify the capital improvement needs for low-income housing owned or operated by the Indian tribe that was developed pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937.

(d) TREATMENT OF EXISTING PLANS.—Notwithstanding any other provision of this title, a plan shall be considered to have been submitted for an Indian tribe if the appropriate Indian housing authority has submitted to the Secretary a comprehensive plan under section 14(e) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this title) or under the comprehensive improvement assistance program under such section 14, and the Secretary has approved such plan, before January 1, 1997. The Secretary shall provide specific procedures and requirements for such tribes to amend such plans by submitting only such additional information as is necessary to comply with the requirements of section 612.

(e) UPDATES TO PLAN.—After a plan under section 612 has been submitted for an Indian tribe for any fiscal year, the tribe may comply with the provisions of such section for any succeeding fiscal year (with respect to information included for the 5-year period under section 612(b) or the 1-year period under section 612(c)) by submitting only such information regarding such changes as may be necessary to update the plan previously submitted.

#### SEC. 614. TREATMENT OF PROGRAM INCOME AND LABOR STANDARDS.

(a) PROGRAM INCOME.—

(1) AUTHORITY TO RETAIN.—Notwithstanding any other provision of law, a recipient may retain any program income that is realized from any grant amounts under this title if—

(A) such income was realized after the initial disbursement of the grant amounts received by the recipient; and

(B) the recipient has agreed that it will utilize the program income for affordable housing activities in accordance with the provisions of this title.

(2) PROHIBITION OF REDUCTION OF GRANT.—The Secretary may not reduce the grant amount for any Indian tribe based solely on (1) whether the recipient for the tribe retains program income under paragraph (1), or (2) the amount of any such program income retained.

(3) EXCLUSION OF AMOUNTS.—The Secretary may, by regulation, exclude from consideration as program income any amounts determined to be so small that compliance with the requirements of this subsection would create an unreasonable administrative burden on the recipient.

(b) TREATMENT OF LABOR STANDARDS.—The use of amounts provided under this title to finance (in whole or in part) a contract for construction or rehabilitation work shall not cause such contract to be subject to the requirements of the Act of March 3, 1931 (40 U.S.C. 276a-276a-5; commonly known as the

Davis-Bacon Act) or to any other provision of law requiring payment of wages in accordance with such Act.

**SEC. 615. ENVIRONMENTAL REVIEW.**

(a) IN GENERAL.—In order to ensure that the policies of the National Environmental Policy Act of 1969 and other provisions of law which further the purposes of such Act (as specified in regulations issued by the Secretary) are most effectively implemented in connection with the expenditure of grant amounts provided under this title, and to ensure to the public undiminished protection of the environment, the Secretary, in lieu of the environmental protection procedures otherwise applicable, may under regulations provide for the release of amounts for particular projects to recipients of assistance under this title who assume all of the responsibilities for environmental review, decisionmaking, and action pursuant to such Act, and such other provisions of law as the regulations of the Secretary specify, that would apply to the Secretary were the Secretary to undertake such projects as Federal projects. The Secretary shall issue regulations to carry out this section only after consultation with the Council on Environmental Quality. The regulations shall provide—

(1) for the monitoring of the environmental reviews performed under this section;

(2) in the discretion of the Secretary, to facilitate training for the performance of such reviews; and

(3) for the suspension or termination of the assumption of responsibilities under this section.

The Secretary's duty under the preceding sentence shall not be construed to limit or reduce any responsibility assumed by a recipient of grant amounts with respect to any particular release of funds.

(b) PROCEDURE.—The Secretary shall approve the release of funds subject to the procedures authorized by this section only if, at least 15 days prior to such approval and prior to any commitment of funds to such projects the recipient of grant amounts has submitted to the Secretary a request for such release accompanied by a certification which meets the requirements of subsection (c). The Secretary's approval of any such certification shall be deemed to satisfy the Secretary's responsibilities under the National Environmental Policy Act of 1969 and such other provisions of law as the regulations of the Secretary specify insofar as those responsibilities relate to the releases of funds for projects to be carried out pursuant thereto which are covered by such certification.

(c) CERTIFICATION.—A certification under the procedures authorized by this section shall—

(1) be in a form acceptable to the Secretary,

(2) be executed by the chief executive officer or other officer of the recipient of assistance under this title qualified under regulations of the Secretary,

(3) specify that the recipient has fully carried out its responsibilities as described under subsection (a), and

(4) specify that the certifying officer (A) consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 and each provision of law specified in regulations issued by the Secretary insofar as the provisions of such Act or such other provisions of law apply pursuant to subsection (a), and (B) is authorized and consents on behalf of the recipient of assistance and such officer to accept the jurisdiction of the Federal courts for the purpose of enforcement of the certifying officer's responsibilities as such an official.

**SEC. 616. REGULATIONS.**

(a) INTERIM REQUIREMENTS.—Not later than 90 days after the date of the enactment of this title, the Secretary shall, by notice issued in the Federal Register, establish any requirements necessary to carry out this title in the manner provided in section 617(b), which shall be effective only for fiscal year 1997. The notice shall invite public comments regarding such interim requirements and final regulations to carry out this title and shall include general notice of proposed rulemaking (for purposes of section 564(a) of title 5, United States Code) of the final regulations under paragraph (2).

(b) FINAL REGULATIONS.—

(1) TIMING.—The Secretary shall issue final regulations necessary to carry out this title not later than September 1, 1997, and such regulations shall take effect not later than the effective date under section 617(a).

(2) NEGOTIATED RULEMAKING.—Notwithstanding sections 563(a) and 565(a) of title 5, United States Code, the final regulations required under paragraph (1) shall be issued according to a negotiated rulemaking procedure under subchapter III of chapter 5 of title 5, United States Code. The Secretary shall establish a negotiated rulemaking committee for development of any such proposed regulations, which shall include representatives of Indian tribes.

**SEC. 617. EFFECTIVE DATE.**

(a) IN GENERAL.—Except as provided in subsection (b) and as otherwise specifically provided in this title, this title shall take effect on October 1, 1997.

(b) INTERIM APPLICABILITY.—For fiscal year 1997, this title shall apply to any Indian tribe that requests the Secretary to apply this title to such tribe, subject to the provisions of this subsection, but only if the Secretary determines that the tribe has the capacity to carry out the responsibilities under this title during such fiscal year. For fiscal year 1997, this title shall apply to any such tribe subject to the following limitations:

(1) USE OF ASSISTANCE AMOUNTS AS BLOCK GRANT.—Amounts shall not be made available pursuant to this title for grants under this title for such fiscal year, but any amounts made available for the tribe under the United States Housing Act of 1937, title II or subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, title IV of the Stewart B. McKinney Homeless Assistance Act, or section 2 of the HUD Demonstration Act of 1993 shall be considered grant amounts under this title and shall be used subject to the provisions of this title relating to such grant amounts.

(2) LOCAL HOUSING PLAN.—Notwithstanding section 613 of this title, a local housing plan shall be considered to have been submitted for the tribe for fiscal year 1997 for purposes of this title only if—

(A) the appropriate Indian housing authority has submitted to the Secretary a comprehensive plan under section 14(e) of the United States Housing Act of 1937 or under the comprehensive improvement assistance program under such section 14;

(B) the Secretary has approved such plan before January 1, 1996; and

(C) the tribe complies with specific procedures and requirements for amending such plan as the Secretary may establish to carry out this subsection.

(c) ASSISTANCE UNDER EXISTING PROGRAM DURING FISCAL YEAR 1997.—Notwithstanding the repeal of any provision of law under section 501(a) and with respect only to Indian tribes not provided assistance pursuant to subsection (b), during fiscal year 1997—

(1) the Secretary shall carry out programs to provide low-income housing assistance on Indian reservations and other Indian areas in

accordance with the provisions of title II of the United States Housing Act of 1937 and related provisions of law, as in effect immediately before the enactment of this Act;

(2) except to the extent otherwise provided in the provisions of such title II (as so in effect), the provisions of title I of such Act (as so in effect) and such related provisions of law shall apply to low-income housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority; and

(3) none of the provisions of title I, II, III, or IV, or of any other law specifically modifying the public housing program that is enacted after the date of the enactment of this Act, shall apply to public housing operated pursuant to a contract between the Secretary and an Indian housing authority, unless the provision explicitly provides for such applicability.

**SEC. 618. AUTHORIZATION OF APPROPRIATIONS.**

There is authorized to be appropriated for grants under subtitle A \$650,000,000, for each of fiscal years 1998, 1999, 2000, and 2001.

**Subtitle B—Affordable Housing Activities**

**SEC. 621. NATIONAL OBJECTIVES AND ELIGIBLE FAMILIES.**

(a) PRIMARY OBJECTIVE.—The national objectives of this title are—

(1) to assist and promote affordable housing activities to develop, maintain, and operate safe, clean, and healthy affordable housing on Indian reservations and in other Indian areas for occupancy by low-income Indian families;

(2) to ensure better access to private mortgage markets for Indian tribes and their members and to promote self-sufficiency of Indian tribes and their members;

(3) to coordinate activities to provide housing for Indian tribes and their members with Federal, State, and local activities to further economic and community development for Indian tribes and their members;

(4) to plan for and integrate infrastructure resources for Indian tribes with housing development for tribes; and

(5) to promote the development of private capital markets in Indian country and to allow such markets to operate and grow, thereby benefiting Indian communities.

(b) ELIGIBLE FAMILIES.—

(1) IN GENERAL.—Except as provided under paragraph (2), assistance under eligible housing activities under this title shall be limited to low-income Indian families on Indian reservations and other Indian areas.

(2) EXCEPTION TO LOW-INCOME REQUIREMENT.—A recipient may provide assistance for model activities under section 622(a)(6) to families who are not low-income families, if the Secretary approves the activities pursuant to such subsection because there is a need for housing for such families that cannot reasonably be met without such assistance. The Secretary shall establish limits on the amount of assistance that may be provided under this title for activities for families who are not low-income families.

(3) NON-INDIAN FAMILIES.—A recipient may provide housing or housing assistance provided through affordable housing activities assisted with grant amounts under this title for a non-Indian family on an Indian reservation or other Indian area if the recipient determines that the presence of the family on the Indian reservation or other Indian area is essential to the well-being of Indian families and the need for housing for the family cannot reasonably be met without such assistance.

(4) PREFERENCE FOR INDIAN FAMILIES.—The local housing plan for an Indian tribe may require preference, for housing or housing assistance provided through affordable housing activities assisted with grant amounts provided under this title on behalf of such tribe,

to be given (to the extent practicable) to Indian families who are members of such tribe, or to other Indian families. In any case in which the applicable local housing plan for an Indian tribe provides for preference under this subsection, the recipient for the tribe shall ensure that housing activities that are assisted with grant amounts under this title for such tribe are subject to such preference.

(5) EXEMPTION.—Title VI of the Civil Rights Act of 1964 and title VIII of the Civil Rights Act of 1968 shall not apply to actions by Indian tribes under this subsection.

**SEC. 622. ELIGIBLE AFFORDABLE HOUSING ACTIVITIES.**

Affordable housing activities under this subtitle are activities, in accordance with the requirements of this subtitle, to develop or to support affordable housing for rental or homeownership, or to provide housing services with respect to affordable housing, through the following activities:

(1) INDIAN HOUSING ASSISTANCE.—The provision of modernization or operating assistance for housing previously developed or operated pursuant to a contract between the Secretary and an Indian housing authority.

(2) DEVELOPMENT.—The acquisition, new construction, reconstruction, or moderate or substantial rehabilitation of affordable housing, which may include real property acquisition, site improvement, development of utilities and utility services, conversion, demolition, financing, administration and planning, and other related activities.

(3) HOUSING SERVICES.—The provision of housing-related services for affordable housing, such as housing counseling in connection with rental or homeownership assistance, energy auditing, and other services related to assisting owners, tenants, contractors, and other entities, participating or seeking to participate in other housing activities assisted pursuant to this section.

(4) HOUSING MANAGEMENT SERVICES.—The provision of management services for affordable housing, including preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and management of affordable housing projects.

(5) CRIME PREVENTION AND SAFETY ACTIVITIES.—The provision of safety, security, and law enforcement measures and activities appropriate to protect residents of affordable housing from crime.

(6) MODEL ACTIVITIES.—Housing activities under model programs that are designed to carry out the purposes of this title and are specifically approved by the Secretary as appropriate for such purpose.

**SEC. 623. REQUIRED AFFORDABLE HOUSING ACTIVITIES.**

(a) MAINTENANCE OF OPERATING ASSISTANCE FOR INDIAN HOUSING.—Any recipient who owns or operates (or is responsible for funding any entity that owns or operates) housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937 shall, using amounts of any grants received under this title, reserve and use for operating assistance under section 622(1) such amounts as may be necessary to provide for the continued maintenance and efficient operation of such housing.

(b) DEMOLITION AND DISPOSITION.—This title may not be construed to prevent any recipient (or entity funded by a recipient) from demolishing or disposing of Indian housing referred to in such subsection. Notwithstanding section 114, section 261 shall apply to the demolition or disposition of Indian housing referred to in subsection (a).

**SEC. 624. TYPES OF INVESTMENTS.**

(a) IN GENERAL.—Subject to section 623 and the local housing plan for an Indian tribe, the recipient for such tribe shall have—

(1) the discretion to use grant amounts for affordable housing activities through equity investments, interest-bearing loans or advances, noninterest-bearing loans or advances, interest subsidies, leveraging of private investments under subsection (b), or any other form of assistance that the Secretary has determined to be consistent with the purposes of this title; and

(2) the right to establish the terms of assistance.

(b) LEVERAGING PRIVATE INVESTMENT.—A recipient may leverage private investments in affordable housing activities by pledging existing or future grant amounts to assure the repayment of notes and other obligations of the recipient issued for purposes of carrying out affordable housing activities.

**SEC. 625. LOW-INCOME REQUIREMENT AND INCOME TARGETING.**

Housing shall qualify as affordable housing for purposes of this title only if—

(1) each dwelling unit in the housing—

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

(B) in the case of housing for homeownership, is made available for purchase only by a family that is a low-income family at the time of purchase; and

(2) except for housing assisted under section 202 of the United States Housing Act of 1937 (as in effect before the enactment of this Act), each dwelling unit in the housing will remain affordable, according to binding commitments satisfactory to the Secretary, for the remaining useful life of the property (as determined by the Secretary) without regard to the term of the mortgage or to transfer of ownership, or for such other period that the Secretary determines is the longest feasible period of time consistent with sound economics and the purposes of this title, except upon a foreclosure by a lender (or upon other transfer in lieu of foreclosure) if such action (A) recognizes any contractual or legal rights of public agencies, nonprofit sponsors, or others to take actions that would avoid termination of low-income affordability in the case of foreclosure or transfer in lieu of foreclosure, and (B) is not for the purpose of avoiding low-income affordability restrictions, as determined by the Secretary.

**SEC. 626. CERTIFICATION OF COMPLIANCE WITH SUBSIDY LAYERING REQUIREMENTS.**

With respect to housing assisted with grant amounts provided under this title, the requirements of section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 shall be considered to be satisfied upon certification by the recipient of the assistance to the Secretary that the combination of Federal assistance provided to any housing project is not any more than is necessary to provide affordable housing.

**SEC. 627. LEASE REQUIREMENTS AND TENANT SELECTION.**

(a) LEASES.—Except to the extent otherwise provided by or inconsistent with tribal law, in renting dwelling units in affordable housing assisted with grant amounts provided under this title, the owner or manager of the housing shall utilize leases that—

(1) do not contain unreasonable terms and conditions;

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

(3) require the owner or manager to give adequate written notice of termination of the lease, which shall not be less than—

(A) the period provided under the applicable law of the jurisdiction or 14 days, which-

ever is less, in the case of nonpayment of rent;

(B) a reasonable period of time, but not to exceed 14 days, when the health or safety of other residents or employees of the owner or manager is threatened; and

(C) the period of time provided under the applicable law of the jurisdiction, in any other case;

(4) require that the owner or manager may not terminate the tenancy except for violation of the terms or conditions of the lease, violation of applicable Federal, tribal, State, or local law, or for other good cause; and

(5) provide that the owner or manager may terminate the tenancy of a resident for any activity, engaged in by the resident, any member of the resident's household, or any guest or other person under the resident's control, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other residents or employees of the owner or manager of the housing;

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

(C) is criminal activity (including drug-related criminal activity).

(b) TENANT SELECTION.—The owner or manager of affordable rental housing assisted under with grant amounts provided under this title shall adopt and utilize written tenant selection policies and criteria that—

(1) are consistent with the purpose of providing housing for low-income families;

(2) are reasonably related to program eligibility and the applicant's ability to perform the obligations of the lease; and

(3) provide for (A) the selection of tenants from a written waiting list in accordance with the policies and goals set forth in the local housing plan for the tribe that is the grant beneficiary of such grant amounts, and (B) the prompt notification in writing of any rejected applicant of the grounds for any rejection.

**SEC. 628. REPAYMENT.**

If a recipient uses grant amounts to provide affordable housing under activities under this subtitle and, at any time during the useful life of the housing the housing does not comply with the requirement under section 625(a)(2), the Secretary shall reduce future grant payments on behalf of the grant beneficiary by an amount equal to the grant amounts used for such housing (under the authority under section 651(a)(2)) or require repayment to the Secretary of an amount equal to such grant amounts.

**SEC. 629. CONTINUED USE OF AMOUNTS FOR AFFORDABLE HOUSING.**

Any funds for programs for low-income housing under the United States Housing Act of 1937 that, on the date of the applicability of this title to an Indian tribe, are owned by, or in the possession or under the control of, the Indian housing authority for the tribe, including all reserves not otherwise obligated, shall be considered assistance under this title and subject to the provisions of this title relating to use of such assistance.

**Subtitle C—Allocation of Grant Amounts**

**SEC. 641. ANNUAL ALLOCATION.**

For each fiscal year, the Secretary shall allocate any amounts made available for assistance under this title for the fiscal year, in accordance with the formula established pursuant to section 642, among Indian tribes that comply with the requirements under this title for a grant under this title.

**SEC. 642. ALLOCATION FORMULA.**

The Secretary shall, by regulations issued in the manner provided under section 616, establish a formula to provide for allocating

amounts available for a fiscal year for block grants under this title among Indian tribes. The formula shall be based on factors that reflect the need of the Indian tribes and the Indian areas of the tribes for assistance for affordable housing activities, including the following factors:

(1) The number of low-income housing dwelling units owned or operated at the time pursuant to a contract between an Indian housing authority for the tribe and the Secretary.

(2) The extent of poverty and economic distress within Indian areas of the tribe.

(3) Other objectively measurable conditions as the Secretary may specify.

The regulations establishing the formula shall be issued not later than the expiration of the 12-month period beginning on the date of the enactment of this title.

**Subtitle D—Compliance, Audits, and Reports**  
**SEC. 651. REMEDIES FOR NONCOMPLIANCE.**

(a) ACTIONS BY SECRETARY AFFECTING GRANT AMOUNTS.—Except as provided in subsection (b), if the Secretary finds after reasonable notice and opportunity for hearing that a recipient of assistance under this title has failed to comply substantially with any provision of this title, the Secretary shall—

(1) terminate payments under this title to the recipient;

(2) reduce payments under this title to the recipient by an amount equal to the amount of such payments which were not expended in accordance with this title;

(3) limit the availability of payments under this title to programs, projects, or activities not affected by such failure to comply; or

(4) in the case of noncompliance described in section 652(b), provide a replacement tribally designated housing entity for the recipient, under section 652.

If the Secretary takes an action under paragraph (1), (2), or (3), the Secretary shall continue such action until the Secretary determines that the failure to comply has ceased.

(b) NONCOMPLIANCE BECAUSE OF TECHNICAL INCAPACITY.—If the Secretary makes a finding under subsection (a), but determines that the failure to comply substantially with the provisions of this title—

(1) is not a pattern or practice of activities constituting willful noncompliance, and

(2) is a result of the limited capability or capacity of the recipient,

the Secretary may provide technical assistance for the recipient (directly or indirectly) that is designed to increase the capability and capacity of the recipient to administer assistance provided under this title in compliance with the requirements under this title.

(c) REFERRAL FOR CIVIL ACTION.—

(1) AUTHORITY.—In lieu of, or in addition to, any action authorized by subsection (a), the Secretary may, if the Secretary has reason to believe that a recipient has failed to comply substantially with any provision of this title, refer the matter to the Attorney General of the United States with a recommendation that an appropriate civil action be instituted.

(2) CIVIL ACTION.—Upon such a referral, the Attorney General may bring a civil action in any United States district court having venue thereof for such relief as may be appropriate, including an action to recover the amount of the assistance furnished under this title which was not expended in accordance with it, or for mandatory or injunctive relief.

(d) REVIEW.—

(1) IN GENERAL.—Any recipient who receives notice under subsection (a) of the termination, reduction, or limitation of payments under this title may, within 60 days

after receiving such notice, file with the United States Court of Appeals for the circuit in which such State is located, or in the United States Court of Appeals for the District of Columbia, a petition for review of the Secretary's action. The petitioner shall forthwith transmit copies of the petition to the Secretary and the Attorney General of the United States, who shall represent the Secretary in the litigation.

(2) PROCEDURE.—The Secretary shall file in the court record of the proceeding on which the Secretary based the action, as provided in section 2112 of title 28, United States Code. No objection to the action of the Secretary shall be considered by the court unless such objection has been urged before the Secretary.

(3) DISPOSITION.—The court shall have jurisdiction to affirm or modify the action of the Secretary or to set it aside in whole or in part. The findings of fact by the Secretary, if supported by substantial evidence on the record considered as a whole, shall be conclusive. The court may order additional evidence to be taken by the Secretary, and to be made part of the record. The Secretary may modify the Secretary's findings of fact, or make new findings, by reason of the new evidence so taken and filed with the court, and the Secretary shall also file such modified or new findings, which findings with respect to questions of fact shall be conclusive if supported by substantial evidence on the record considered as a whole, and shall also file the Secretary's recommendation, if any, for the modification or setting aside of the Secretary's original action.

(4) FINALITY.—Upon the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that such judgment shall be subject to review by the Supreme Court of the United States upon writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

**SEC. 652. REPLACEMENT OF RECIPIENT.**

(a) AUTHORITY.—As a condition of the Secretary making a grant under this title on behalf of an Indian tribe, the tribe shall agree that, notwithstanding any other provision of law, the Secretary may, only in the circumstances set forth in subsection (b), require that a replacement tribally designated housing entity serve as the recipient for the tribe, in accordance with subsection (c).

(b) CONDITIONS OF REMOVAL.—The Secretary may require such replacement tribally designated housing entity for a tribe only upon a determination by the Secretary on the record after opportunity for a hearing that the recipient for the tribe has engaged in a pattern or practice of activities that constitutes substantial or willful noncompliance with the requirements under this title.

(c) CHOICE AND TERM OF REPLACEMENT.—If the Secretary requires that a replacement tribally designated housing entity serve as the recipient for a tribe (or tribes)—

(1) the replacement entity shall be an entity mutually agreed upon by the Secretary and the tribe (or tribes) for which the recipient was authorized to act, except that if no such entity is agreed upon before the expiration of the 60-day period beginning upon the date that the Secretary makes the determination under subsection (b), the Secretary shall act as the replacement entity until agreement is reached upon a replacement entity; and

(2) the replacement entity (or the Secretary, as provided in paragraph (1)) shall act as the tribally designated housing entity for the tribe (or tribes) for a period that expires upon—

(A) a date certain, which shall be specified by the Secretary upon making the determination under subsection (b); or

(B) the occurrence of specific conditions, which conditions shall be specified in written notice provided by the Secretary to the tribe upon making the determination under subsection (b).

**SEC. 653. MONITORING OF COMPLIANCE.**

(a) ENFORCEABLE AGREEMENTS.—Each recipient, through binding contractual agreements with owners and otherwise, shall ensure long-term compliance with the provisions of this title. Such measures shall provide for (1) enforcement of the provisions of this title by the grant beneficiary or by recipients and other intended beneficiaries, and (2) remedies for the breach of such provisions.

(b) PERIODIC MONITORING.—Not less frequently than annually, each recipient shall review the activities conducted and housing assisted under this title to assess compliance with the requirements of this title. Such review shall include on-site inspection of housing to determine compliance with applicable requirements. The results of each review shall be included in the performance report of the recipient submitted to the Secretary under section 654 and made available to the public.

**SEC. 654. PERFORMANCE REPORTS.**

(a) REQUIREMENT.—For each fiscal year, each recipient shall—

(1) review the progress it has made during such fiscal year in carrying out the local housing plan (or plans) for the Indian tribes for which it administers grant amounts; and

(2) submit a report to the Secretary (in a form acceptable to the Secretary) describing the conclusions of the review.

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

(1) describe the use of grant amounts provided to the recipient for such fiscal year;

(2) assess the relationship of such use to the goals identified in the local housing plan of the grant beneficiary;

(3) indicate the recipient's programmatic accomplishments; and

(4) describe how the recipient would change its programs as a result of its experiences.

(c) SUBMISSION.—The Secretary shall establish dates for submission of reports under this section, and review such reports and make such recommendations as the Secretary considers appropriate to carry out the purposes of this title.

(d) PUBLIC AVAILABILITY.—A recipient preparing a report under this section shall make the report publicly available to the citizens in the recipient's jurisdiction in sufficient time to permit such citizens to comment on such report prior to its submission to the Secretary, and in such manner and at such times as the recipient may determine. The report shall include a summary of any comments received by the grant beneficiary or recipient from citizens in its jurisdiction regarding its program.

**SEC. 655. REVIEW AND AUDIT BY SECRETARY.**

(a) ANNUAL REVIEW.—The Secretary shall, at least on an annual basis, make such reviews and audits as may be necessary or appropriate to determine—

(1) whether the recipient has carried out its eligible activities in a timely manner, has carried out its eligible activities and certifications in accordance with the requirements and the primary objectives of this title and with other applicable laws, and has a continuing capacity to carry out those activities in a timely manner;

(2) whether the recipient has complied with the local housing plan of the grant beneficiary; and

(3) whether the performance reports under section 654 of the recipient are accurate.

Reviews under this section shall include, insofar as practicable, on-site visits by employees of the Department of Housing and Urban Development.

(b) **REPORT BY SECRETARY.**—The Secretary shall submit a written report to the Congress regarding each review under subsection (a). The Secretary shall give a recipient not less than 30 days to review and comment on a report under this subsection. After taking into consideration the comments of the recipient, the Secretary may revise the report and shall make the recipient's comments and the report, with any revisions, readily available to the public not later than 30 days after receipt of the recipient's comments.

(c) **EFFECT OF REVIEWS.**—The Secretary may make appropriate adjustments in the amount of the annual grants under this title in accordance with the Secretary's findings pursuant to reviews and audits under this section. The Secretary may adjust, reduce, or withdraw grant amounts, or take other action as appropriate in accordance with the Secretary's reviews and audits under this section, except that grant amounts already expended on affordable housing activities may not be recaptured or deducted from future assistance provided on behalf of an Indian tribe.

**SEC. 656. GAO AUDITS.**

To the extent that the financial transactions of Indian tribes and recipients of grant amounts under this title relate to amounts provided under this title, such transactions may be audited by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by such tribes and recipients pertaining to such financial transactions and necessary to facilitate the audit.

**SEC. 657. REPORTS TO CONGRESS.**

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

(1) a description of the progress made in accomplishing the objectives of this title; and

(2) a summary of the use of such funds during the preceding fiscal year.

(b) **RELATED REPORTS.**—The Secretary may require recipients of grant amounts under this title to submit to the Secretary such reports and other information as may be necessary in order for the Secretary to make the report required by subsection (a).

**Subtitle E—Termination of Assistance for Indian Tribes under Incorporated Programs**

**SEC. 661. TERMINATION OF INDIAN PUBLIC HOUSING ASSISTANCE UNDER UNITED STATES HOUSING ACT OF 1937.**

(a) **IN GENERAL.**—After September 30, 1997, financial assistance may not be provided under the United States Housing Act of 1937 or pursuant to any commitment entered into under such Act, for Indian housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority, unless such assistance is provided from amounts made available for fiscal year 1997 and pursuant to a commitment entered into before September 30, 1997.

(b) **TERMINATION OF RESTRICTIONS ON USE OF INDIAN HOUSING.**—Except as provided in section 623(b) of this title, any housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937 shall not be subject to any provision of such Act or any annual con-

tributions contract or other agreement pursuant to such Act, but shall be considered and maintained as affordable housing for purposes of this title.

**SEC. 662. TERMINATION OF NEW COMMITMENTS FOR RENTAL ASSISTANCE.**

After September 30, 1997, financial assistance for rental housing assistance under the United States Housing Act of 1937 may not be provided to any Indian housing authority or tribally designated housing entity, unless such assistance is provided pursuant to a contract for such assistance entered into by the Secretary and the Indian housing authority before such date.

**SEC. 663. TERMINATION OF YOUTHBUILD PROGRAM ASSISTANCE.**

(a) **IN GENERAL.**—Subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899 et seq.) is amended—

(1) by redesignating section 460 as section 461; and

(2) by inserting after section 459 the following new section:

**“SEC. 460. INELIGIBILITY OF INDIAN TRIBES.**

“Indian tribes, Indian housing authorities, and other agencies primarily serving Indians or Indian areas shall not be eligible applicants for amounts made available for assistance under this subtitle for fiscal year 1997 and fiscal years thereafter.”.

(b) **EFFECTIVE DATE AND APPLICABILITY.**—The amendments under subsection (a) shall be made on October 1, 1997, and shall apply with respect to amounts made available for assistance under subtitle D of title II of the Cranston-Gonzalez National Affordable Housing Act for fiscal year 1998 and fiscal years thereafter.

**SEC. 664. TERMINATION OF HOME PROGRAM ASSISTANCE.**

(a) **IN GENERAL.**—Title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.) is amended—

(1) in section 217(a)—

(A) in paragraph (1), by striking “reserving amounts under paragraph (2) for Indian tribes and after”; and

(B) by striking paragraph (2); and

(2) in section 288—

(A) in subsection (a), by striking “, Indian tribes,”;

(B) in subsection (b), by striking “, Indian tribe,”; and

(C) in subsection (c)(4), by striking “, Indian tribe,”.

(b) **EFFECTIVE DATE AND APPLICABILITY.**—The amendments under subsection (a) shall be made on October 1, 1997, and shall apply with respect to amounts made available for assistance under title II of the Cranston-Gonzalez National Affordable Housing Act for fiscal year 1998 and fiscal years thereafter.

**SEC. 665. TERMINATION OF HOUSING ASSISTANCE FOR THE HOMELESS.**

(a) **MCKINNEY ACT PROGRAMS.**—Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361 et seq.) is amended—

(1) in section 411, by striking paragraph (10);

(2) in section 412, by striking “, and for Indian tribes,”;

(3) in section 413—

(A) in subsection (a)—

(i) by striking “, and to Indian tribes,”; and

(ii) by striking “, or for Indian tribes” each place it appears;

(B) in subsection (c), by striking “or Indian tribe,”; and

(C) in subsection (d)(3)—

(i) by striking “, or Indian tribe” each place it appears; and

(ii) by striking “, or other Indian tribes,”;

(4) in section 414(a)—

(A) by striking “or Indian tribe” each place it appears; and

(B) by striking “, local government,” each place it appears and inserting “or local government”;

(5) in section 415(c)(4), by striking “Indian tribes,”;

(6) in section 416(b), by striking “Indian tribe,”;

(7) in section 422—

(A) in by striking “Indian tribe,”; and

(B) by striking paragraph (3);

(8) in section 441—

(A) by striking subsection (g);

(B) in subsection (h), by striking “or Indian housing authority”; and

(C) in subsection (j)(1), by striking “, Indian housing authority”;

(9) in section 462—

(A) in paragraph (2), by striking “, Indian tribe,”; and

(B) by striking paragraph (4); and

(10) in section 491(e), by striking “, Indian tribes (as such term is defined in section 102(a) of the Housing and Community Development Act of 1974),”.

(b) **INNOVATIVE HOMELESS DEMONSTRATION.**—Section 2(b) of the HUD Demonstration Act of 1993 (42 U.S.C. 11301 note) is amended—

(1) in paragraph (3), by striking “ ‘unit of general local government’, and ‘Indian tribe’ ” and inserting “and ‘unit of general local government’ ”; and

(2) in paragraph (4), by striking “unit of general local government (including units in rural areas), or Indian tribe” and inserting “or unit of general local government”.

(c) **EFFECTIVE DATE AND APPLICABILITY.**—The amendments under subsections (a) and (b) shall be made on October 1, 1997, and shall apply with respect to amounts made available for assistance under title IV of the Stewart B. McKinney Homeless Assistance Act and section 2 of the HUD Demonstration Act of 1993, respectively, for fiscal year 1998 and fiscal years thereafter.

**SEC. 666. SAVINGS PROVISION.**

Except as provided in sections 661 and 662, this title may not be construed to affect the validity of any right, duty, or obligation of the United States or other person arising under or pursuant to any commitment or agreement lawfully entered into before October 1, 1997, under the United States Housing Act of 1937, subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, title II of the Cranston-Gonzalez National Affordable Housing Act, title IV of the Stewart B. McKinney Homeless Assistance Act, or section 2 of the HUD Demonstration Act of 1993.

**SEC. 667. EFFECTIVE DATE.**

Sections 661, 662, and 666 shall take effect on the date of the enactment of this title.

**Subtitle F—Loan Guarantees for Affordable Housing Activities**

**SEC. 671. AUTHORITY AND REQUIREMENTS.**

(a) **AUTHORITY.**—To such extent or in such amounts as provided in appropriation Acts, the Secretary may, subject to the limitations of this subtitle and upon such terms and conditions as the Secretary may prescribe, guarantee and make commitments to guarantee, the notes or other obligations issued by Indian tribes or tribally designated housing entities, for the purposes of financing affordable housing activities described in section 622.

(b) **LACK OF FINANCING ELSEWHERE.**—A guarantee under this subtitle may be used to assist an Indian tribe or housing entity in obtaining financing only if the Indian tribe or housing entity has made efforts to obtain such financing without the use of such guarantee and cannot complete such financing

consistent with the timely execution of the program plans without such guarantee.

(c) **TERMS OF LOANS.**—Notes or other obligations guaranteed pursuant to this subtitle shall be in such form and denominations, have such maturities, and be subject to such conditions as may be prescribed by regulations issued by the Secretary. The Secretary may not deny a guarantee under this subtitle on the basis of the proposed repayment period for the note or other obligation, unless the period is more than 20 years or the Secretary determines that the period causes the guarantee to constitute an unacceptable financial risk.

(d) **LIMITATION ON OUTSTANDING GUARANTEES.**—No guarantee or commitment to guarantee shall be made with respect to any note or other obligation if the issuer's total outstanding notes or obligations guaranteed under this subtitle (excluding any amount defeased under the contract entered into under section 672(a)(1)) would thereby exceed an amount equal to 5 times the amount of the grant approval for the issuer pursuant to title III.

(e) **PROHIBITION OF PURCHASE BY FFB.**—Notes or other obligations guaranteed under this subtitle may not be purchased by the Federal Financing Bank.

(f) **PROHIBITION OF GUARANTEE FEES.**—No fee or charge may be imposed by the Secretary or any other Federal agency on or with respect to a guarantee made by the Secretary under this subtitle.

**SEC. 672. SECURITY AND REPAYMENT.**

(a) **REQUIREMENTS ON ISSUER.**—To assure the repayment of notes or other obligations and charges incurred under this subtitle and as a condition for receiving such guarantees, the Secretary shall require the Indian tribe or housing entity issuing such notes or obligations to—

(1) enter into a contract, in a form acceptable to the Secretary, for repayment of notes or other obligations guaranteed under this subtitle;

(2) pledge any grant for which the issuer may become eligible under this title;

(3) demonstrate that the extent of such issuance and guarantee under this title is within the financial capacity of the tribe and is not likely to impair the ability to use of grant amounts under subtitle A, taking into consideration the requirements under section 623(a); and

(4) furnish, at the discretion of the Secretary, such other security as may be deemed appropriate by the Secretary in making such guarantees, including increments in local tax receipts generated by the activities assisted under this title or dispositions proceeds from the sale of land or rehabilitated property.

(b) **REPAYMENT FROM GRANT AMOUNTS.**—Notwithstanding any other provision of this title—

(1) the Secretary may apply grants pledged pursuant to subsection (a)(2) to any repayments due the United States as a result of such guarantees; and

(2) grants allocated under this title for an Indian tribe or housing entity (including program income derived therefrom) may be used to pay principal and interest due (including such servicing, underwriting, and other costs as may be specified in regulations issued by the Secretary) on notes or other obligations guaranteed pursuant to this subtitle.

(c) **FULL FAITH AND CREDIT.**—The full faith and credit of the United States is pledged to the payment of all guarantees made under this subtitle. Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the obligations for such guarantee with respect to principal and interest, and the validity of any such guaran-

tee so made shall be incontestable in the hands of a holder of the guaranteed obligations.

**SEC. 673. PAYMENT OF INTEREST.**

The Secretary may make, and contract to make, grants, in such amounts as may be approved in appropriations Acts, to or on behalf of an Indian tribe or housing entity issuing notes or other obligations guaranteed under this subtitle, to cover not to exceed 30 percent of the net interest cost (including such servicing, underwriting, or other costs as may be specified in regulations of the Secretary) to the borrowing entity or agency of such obligations. The Secretary may also, to the extent approved in appropriation Acts, assist the issuer of a note or other obligation guaranteed under this subtitle in the payment of all or a portion of the principal and interest amount due under the note or other obligation, if the Secretary determines that the issuer is unable to pay the amount because of circumstances of extreme hardship beyond the control of the issuer.

**SEC. 674. TREASURY BORROWING.**

The Secretary may issue obligations to the Secretary of the Treasury in an amount outstanding at any one time sufficient to enable the Secretary to carry out the obligations of the Secretary under guarantees authorized by this subtitle. The obligations issued under this section shall have such maturities and bear such rate or rates of interest as shall be determined by the Secretary of the Treasury. The Secretary of the Treasury is authorized and directed to purchase any obligations of the Secretary issued under this section, and for such purposes may use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, United States Code, and the purposes for which such securities may be issued under such chapter are extended to include the purchases of the Secretary's obligations hereunder.

**SEC. 675. TRAINING AND INFORMATION.**

The Secretary, in cooperation with eligible public entities, shall carry out training and information activities with respect to the guarantee program under this subtitle.

**SEC. 676. LIMITATIONS ON AMOUNT OF GUARANTEES.**

(a) **AGGREGATE FISCAL YEAR LIMITATION.**—Notwithstanding any other provision of law and subject only to the absence of qualified applicants or proposed activities and to the authority provided in this subtitle, to the extent approved or provided in appropriation Acts, the Secretary shall enter into commitments to guarantee notes and obligations under this subtitle with an aggregate principal amount of \$400,000,000 for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

(b) **AUTHORIZATION OF APPROPRIATIONS FOR CREDIT SUBSIDY.**—There is authorized to be appropriated to cover the costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guarantees under this subtitle, \$40,000,000 for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

(c) **AGGREGATE OUTSTANDING LIMITATION.**—The total amount of outstanding obligations guaranteed on a cumulative basis by the Secretary pursuant to this subtitle shall not at any time exceed \$2,000,000,000 or such higher amount as may be authorized to be appropriated for this subtitle for any fiscal year.

(d) **FISCAL YEAR LIMITATIONS ON TRIBES.**—The Secretary shall monitor the use of guarantees under this subtitle by Indian tribes. If the Secretary finds that 50 percent of the aggregate guarantee authority under subsection (c) has been committed, the Secretary may—

(1) impose limitations on the amount of guarantees any one Indian tribe may receive in any fiscal year of \$50,000,000; or

(2) request the enactment of legislation increasing the aggregate limitation on guarantees under this subtitle.

**SEC. 677. EFFECTIVE DATE.**

This subtitle shall take effect upon the enactment of this title.

**Subtitle G—Other Housing Assistance for Native Americans**

**SEC. 681. LOAN GUARANTEES FOR INDIAN HOUSING.**

(a) **DEFINITION OF ELIGIBLE BORROWERS TO INCLUDE INDIAN TRIBES.**—Section 184 of the Housing and Community Development Act of 1992 (12 U.S.C. 1515z-13a) is amended—

(1) in subsection (a)—

(A) by striking “and Indian housing authorities” and inserting “, Indian housing authorities, and Indian tribes,”; and

(B) by striking “or Indian housing authority” and inserting “, Indian housing authority, or Indian tribe”;

(2) in subsection (b)(1), by striking “or Indian housing authorities” and inserting “, Indian housing authorities, or Indian tribes”.

(b) **NEED FOR LOAN GUARANTEE.**—Section 184(a) of the Housing and Community Development Act of 1992 is amended by striking “trust land” and inserting “lands or as a result of a lack of access to private financial markets”.

(c) **LHP REQUIREMENT.**—Section 184(b)(2) of the Housing and Community Development Act of 1992 is amended by inserting before the period at the end the following: “that is under the jurisdiction of an Indian tribe for which a local housing plan has been submitted and approved pursuant to sections 612 and 613 of the Native American Housing Assistance and Self-Determination Act of 1996 that provides for the use of loan guarantees under this section to provide affordable homeownership housing in such areas”.

(d) **LENDER OPTION TO OBTAIN PAYMENT UPON DEFAULT WITHOUT FORECLOSURE.**—Section 184(h) of the Housing and Community Development Act of 1992 is amended—

(1) in paragraph (1)(A)—

(A) in the first sentence of clause (i), by striking “in a court of competent jurisdiction”;

(B) by striking clause (ii) and inserting the following new clause:

“(ii) **NO FORECLOSURE.**—Without seeking foreclosure (or in any case in which a foreclosure proceeding initiated under clause (i) continues for a period in excess of 1 year), the holder of the guarantee may submit to the Secretary a request to assign the obligation and security interest to the Secretary in return for payment of the claim under the guarantee. The Secretary may accept assignment of the loan if the Secretary determines that the assignment is in the best interests of the United States. Upon assignment, the Secretary shall pay to the holder of the guarantee the pro rata portion of the amount guaranteed (as determined under subsection (e)). The Secretary shall be subrogated to the rights of the holder of the guarantee and the holder shall assign the obligation and security to the Secretary.”;

(2) by striking paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (2).

(e) **LIMITATION OF MORTGAGEE AUTHORITY.**—Section 184(h)(2) of the Housing and Community Development Act of 1992, as so redesignated by subsection (e)(3) of this section, is amended—

(1) in the first sentence, by striking “tribal allotted or trust land,” and inserting “restricted Indian land, the mortgagee or”;

(B) in the second sentence, by striking “Secretary” each place it appears, and inserting “mortgagee or the Secretary”.

(f) **LIMITATION ON OUTSTANDING AGGREGATE PRINCIPAL AMOUNT.**—Section 184(i)(5)(C) of

the Housing and Community Development Act of 1992 is amended by striking "1993" and all that follows through "such year" and inserting "1997, 1998, 1999, 2000, and 2001 with an aggregate outstanding principal amount not exceeding \$400,000,000 for each such fiscal year".

(g) AUTHORIZATION OF APPROPRIATIONS FOR GUARANTEE FUND.—Section 184(i)(7) of the Housing and Community Development Act of 1992 is amended by striking "such sums" and all that follows through "1994" and inserting "\$30,000,000 for each of fiscal years 1997, 1998, 1999, 2000, and 2001".

(h) DEFINITIONS.—Section 184(k) of the Housing and Community Development Act of 1992 is amended—

(1) in paragraph (4), by inserting after "authority" the following: "or Indian tribe";

(2) in paragraph (5)—

(A) by striking subparagraph (A) and inserting the following new subparagraph:

"(A) is authorized to engage in or assist in the development or operation of—

"(i) low-income housing for Indians; or

"(ii) housing subject to the provisions of this section; and"; and

(B) by adding at the end the following:

"The term includes tribally designated housing entities under the Native American Housing Assistance and Self-Determination Act of 1996."; and

(3) by striking paragraph (8) and inserting the following new paragraph:

"(8) The term 'tribe' or 'Indian tribe' means any Indian tribe, band, notation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians pursuant to the Indian Self-Determination and Education Assistance Act of 1975.

**SEC. 682. 50-YEAR LEASEHOLD INTEREST IN TRUST OR RESTRICTED LANDS FOR HOUSING PURPOSES.**

(a) AUTHORITY TO LEASE.—Notwithstanding any other provision of law, any restricted Indian lands, whether tribally or individually owned, may be leased by the Indian owners, with the approval of the Secretary of the Interior, for residential purposes.

(b) TERM.—Each lease pursuant to subsection (a) shall be for a term not exceeding 50 years.

(c) OTHER CONDITIONS.—Each lease pursuant to subsection (a) and each renewal of such a lease shall be made under such terms and regulations as may be prescribed by the Secretary of the Interior.

(d) RULE OF CONSTRUCTION.—This section may not be construed to repeal, limit, or affect any authority to lease any restricted Indian lands that—

(1) is conferred by or pursuant to any other provision of law; or

(2) provides for leases for any period exceeding 50 years.

**SEC. 683. TRAINING AND TECHNICAL ASSISTANCE.**

There is authorized to be appropriated for assistance for the a national organization representing Native American housing interests for providing training and technical assistance to Indian housing authorities and tribally designated housing entities \$2,000,000, for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

**SEC. 684. EFFECTIVE DATE.**

This subtitle and the amendments made by this subtitle shall take effect upon the enactment of this title.

H.R. 2406

OFFERED BY: MR. HINCHEY

AMENDMENT NO. 10: Page 76, after line 16, insert the following:

Notwithstanding any other provision of this subsection, the amount paid by an elderly family or a disabled family for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income.

H.R. 2406

OFFERED BY: MR. HINCHEY

AMENDMENT NO. 11: Page 76, after line 16, insert the following:

Notwithstanding any other provision of this subsection, the amount paid by an elderly family or a disabled family for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income.

Page 157, after line 26, insert the following new subsection:

(b) LIMITATION.—Notwithstanding any other provision of this section, the amount paid by an assisted family that is an elderly family or a disabled family, for monthly rent for an assisted dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located, may not exceed 30 percent of the family's adjusted monthly income.

Page 158, line 1, strike "(b)" and insert "(c)".

Page 158, line 9, strike "(c)" and insert "(d)".

Page 159, line 1, strike "(d)" and insert "(e)".

Page 172, line 11, before the period insert the following:

; except that in the case of an assisted family that is an elderly family or a disabled family, the amount of the monthly assistance payment shall be the amount by which such payment standard exceeds the lesser of the amount of the resident contribution determined in accordance with section 322 or 30 percent of the family's adjusted monthly income

H.R. 2406

OFFERED BY: MR. HINCHEY

AMENDMENT NO. 12: Page 157, after line 26, insert the following new subsection:

(b) LIMITATION.—Notwithstanding any other provision of this section, the amount paid by an assisted family that is an elderly family or a disabled family, for monthly rent for an assisted dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located, may not exceed 30 percent of the family's adjusted monthly income.

Page 158, line 1, strike "(b)" and insert "(c)".

Page 158, line 9, strike "(c)" and insert "(d)".

Page 159, line 1, strike "(d)" and insert "(e)".

Page 172, line 11, before the period insert the following:

; except that in the case of an assisted family that is an elderly family or a disabled family, the amount of the monthly assistance payment shall be the amount by which such payment standard exceeds the lesser of the amount of the resident contribution determined in accordance with section 322 or 30 percent of the family's adjusted monthly income

H.R. 2406

OFFERED BY: MR. KENNEDY OF MASSACHUSETTS

AMENDMENT NO. 13: Page 69, strike lines 18 through 23 and insert the following new subsection:

(c) INCOME MIX.—

(1) LHMA INCOME MIX.—Of the public housing dwelling units of a local housing and management authority made available for occupancy after the date of the enactment of this Act—

(A) not less than 40 percent shall be occupied by low-income families whose incomes do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary, may for purposes of this subsection, establish income ceilings higher or lower than 30 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes; and

(B) not more than 15 percent shall be occupied by low-income families whose incomes exceed 60 percent of the area median income.

(2) PROHIBITION OF CONCENTRATION OF LOW-INCOME FAMILIES.—A local housing and management authority may not comply with the requirements under paragraph (1) by concentrating very low-income families (or other families with relatively low incomes) in public housing dwelling units in certain public housing developments or certain buildings within developments. The Secretary may review the income and occupancy characteristics of the public housing developments, and the buildings of such developments, of local housing and management authorities to ensure compliance with the provisions of this paragraph.

H.R. 2406

OFFERED BY: MR. KENNEDY OF MASSACHUSETTS

AMENDMENT NO. 14: Page 76, after line 16, insert the following:

Notwithstanding any other provision of this subsection, the amount paid by a family whose head (or whose spouse) is a veteran (as such term is defined in section 203(b) of the National Housing Act) for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income.

H.R. 2406

OFFERED BY: MR. KENNEDY OF MASSACHUSETTS

AMENDMENT NO. 15: Page 133, line 17, strike "September 30, 1996" and insert "September 30, 2001".

H.R. 2406

OFFERED BY: MR. KENNEDY OF MASSACHUSETTS

AMENDMENT NO. 16: Page 150, strike line 3 and all that follows through line 25, insert the following:

(b) ADDITIONAL ASSISTANCE.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated, for choice-based housing assistance under this title—

(A) to be used in accordance with paragraph (2)(A), \$50,000,000 for fiscal year 1997, and such sums as may be necessary for each subsequent fiscal year; and

(B) to be used in accordance with paragraph (2)(B), \$195,000,000 for fiscal year 1997, and such sums as may be necessary for each subsequent fiscal year.

(2) USE.—

(A) NONELDERLY DISABLED FAMILIES.—The Secretary shall provide amounts made available under paragraph (1)(A) to local housing and management authorities only for use to

provide housing assistance under this title for nonelderly disabled families (including such families relocating pursuant to designation of a public housing development under section 227 and other nonelderly disabled families who have applied to the authority for housing assistance under this title).

(B) WELFARE AND HOMELESS FAMILIES.—The Secretary shall provide amounts made available under paragraph (1)(B) to local housing and management authorities only for use to provide housing assistance under this title for, as determined by the Secretary, the following families:

(i) Families participating in programs that link housing assistance to State and local welfare reform strategies for the purposes of assisting families making the transition from welfare to work and empowering families to choose housing in locations that offer the best access to jobs, education, training, and other services needed to achieve long-term self-sufficiency.

(ii) Homeless families with children.

(iii) Other eligible families.

(3) ALLOCATION OF AMOUNTS.—The Secretary shall allocate and provide amounts made available under paragraph (1) to local housing and management authorities as the Secretary determines appropriate based on the relative levels of need among the authorities for assistance for families described in subparagraphs (A) and (B) of paragraph (2) and such other relevant factors as the Secretary deems appropriate.

H.R. 2406

OFFERED BY: MR. KENNEDY OF MASSACHUSETTS

AMENDMENT NO. 17: Page 152, after line 2, insert the following new subsection:

(b) INCOME TARGETING.—Of the families initially assisted under this title by a local housing and management authority in any year, not less than 75 percent shall be families whose incomes do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families. The Secretary may establish income ceiling higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

Page 152, line 3, strike "(b)" and insert "(c)".

Page 152, line 18, strike "(c)" and insert "(d)".

Page 153, line 11, strike "(d)" and insert "(e)".

Page 153, line 16, strike "(c)" and insert "(d)".

Page 154, line 11, strike "(e)" and insert "(f)".

Page 155, line 16, strike "(f)" and insert "(g)".

Page 156, line 1, strike "(g)" and insert "(h)".

Page 156, line 15, strike "(h)" and insert "(i)".

H.R. 2406

OFFERED BY: MR. KENNEDY OF MASSACHUSETTS

AMENDMENT NO. 18: Page 157, after line 26, inset the following new subsection:

(b) LIMITATION.—Notwithstanding any other provision of this section, the amount paid by an assisted family whose head (or whose spouse) is a veteran (as such term is defined in section 203(b) of the National

Housing Act) for monthly rent for an assisted dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling of the applicable size and located in the market area in which such assisted dwelling unit is located may not exceed 30 percent of the family's adjusted monthly income.

Page 158, line 1, strike "(b)" and insert "(c)".

Page 158, line 9, strike "(c)" and insert "(d)".

Page 159, line 1, strike "(d)" and insert "(e)".

Page 172, line 9, after "exceeds" insert "(A)".

Page 172, line 11, before the period insert the following: ", or (B) in the case of a family whose head (or whose spouse) is a veteran (as such term is defined in section 203(b) of the National Housing Act), the lesser of the amount of such resident contribution or 30 percent of the family's adjusted monthly income".

H.R. 2406

OFFERED BY: MR. KENNEDY OF MASSACHUSETTS

AMENDMENT NO. 19: At the end of title V of the bill, insert the following new section:

**SEC. 504. AUTHORITY FOR HUD TO RELEASE RETURN INFORMATION TO LHMA'S.**

Section 6103(a)(7)(D) of the Internal Revenue Code of 1986 is amended—

(1) in clause (ix), by inserting after "officers and employees of the Department of Housing and Urban Development" the following: "(and by officers and employees of local housing and management authorities, as defined in section 102 of the United States Housing Act of 1996 (including Indian housing authorities and recipients of assistance under such Act on behalf of Indian tribes) to whom the Secretary of Housing and Urban Development has made such return information available)"; and

(2) in the matter following clause (ix), by striking the last sentence.

H.R. 2406

OFFERED BY: MR. LAZIO OF NEW YORK

AMENDMENT NO. 20: Page 7, lines 9 and 10, strike "and become self-sufficient; and" and insert the following: ", become self-sufficient, and transition out of public housing and federally assisted dwelling units";

Page 7, line 15, strike the period and insert "; and".

Page 7, after line 15, insert the following:

(7) remedying troubled local housing and management authorities and replacing or revitalizing severely distressed public housing developments.

Page 10, line 23, after the comma insert "as determined by the Secretary with adjustments for smaller and larger families,".

Page 13, line 7, after the comma insert "as determined by the Secretary with adjustments for smaller and larger families,".

Page 14, line 3, strike "or".

Page 14, strike line 4 and insert the following:

(C) an entity authorized by State law to administer choice-based housing assistance under title III; or

(D) an entity selected by the Secretary, pur-

Page 14, strike line 23 and all that follows through page 15, line 5, and insert the following:

ber who is an elected public housing resident member (as such term is defined in paragraph (5)). If the board includes 2 or more resident members, at least 1 such member shall be a member of an assisted family under title III.

Page 15, line 7, strike "a resident member" and insert "elected public housing resident members and resident members"

Page 16, strike lines 3 through 6.

Page 16, line 7, strike "(iv)" and insert "(iii)".

Page 16, line 13, strike "(v)" and insert "(iv)".

Page 17, strike lines 4 through 10, and insert the following new paragraph:

(5) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

(A) ELECTED PUBLIC HOUSING RESIDENT MEMBER.—The term "elected public housing resident member" means, with respect to the local housing and management authority involved, an individual who is a resident member of the board of directors (or other similar governing body of the authority) by reason of election to such position pursuant to an election—

(i) in which eligibility for candidacy in such election is limited to individuals who—

(I) maintain their principal residence in a dwelling unit of public housing administered or assisted by the authority;

(II) have not been convicted of a felony and do not reside in a household that includes an individual convicted of a felony; and

(III) have not, during the 5-year period ending upon the date of such election, been convicted of a misdemeanor;

(ii) in which only residents of dwelling units of public housing administered by the authority may vote; and

(iii) that is conducted in accordance with standards and procedures for such election, which shall be established by the Secretary.

(B) RESIDENT MEMBER.—The term "resident member" means a member of the board of directors or other similar governing body of a local housing and management authority who is a resident of a public housing dwelling unit owned, administered, or assisted by the authority or is a member of an assisted family (as such term is defined in section 371) assisted by the authority.

Page 17, line 18, insert "AND MEDIAN INCOME" before the last period.

Page 17, line 19, strike "IN GENERAL" and insert "ADJUSTED INCOME".

Page 19, line 1, after "MINORS" insert ", STUDENTS, AND PERSONS WITH DISABILITIES".

Page 19, line 5, before the period insert the following: ", or who is 18 years of age or older and is a person with disabilities".

Page 20, after line 10, insert the following new subsection:

(d) MEDIAN INCOME.—In determining median incomes (of persons, families, or households) for an area or establishing any ceilings or limits based on income under this Act, the Secretary shall determine or establish area median incomes and income ceilings and limits for Westchester and Rockland Counties, in the State of New York, as if each such county were an area not contained within the metropolitan statistical area in which it is located. In determining such area median incomes or establishing such income ceilings or limits for the portion of such metropolitan statistical area that does not include Westchester or Rockland Counties, the Secretary shall determine

or establish area median incomes and income ceilings and limits as if such portion included Westchester and Rockland Counties.

Page 20, strike line 11 and all that follows through page 21, line 22, and insert the following new section:

**SEC. 105. OCCUPANCY LIMITATIONS BASED ON ILLEGAL DRUG ACTIVITY AND ALCOHOL ABUSE.**

(a) **INELIGIBILITY BECAUSE OF EVICTION FOR DRUG-RELATED CRIMINAL ACTIVITY.**—Any tenant evicted from housing assisted under title II or title III by reason of drug-related criminal activity (as such term is defined in section 102) shall not be eligible for any housing assistance under title II or title III during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the local housing and management authority (which shall include a waiver of this subsection if the circumstances leading to eviction no longer exist).

(b) **INELIGIBILITY OF ILLEGAL DRUG USERS AND ALCOHOL ABUSERS.**—

(1) **IN GENERAL.**—Notwithstanding any other provision of law, a local housing and management authority shall establish standards for occupancy in public housing dwelling units and housing assistance under title II—

(A) that prohibit occupancy in any public housing dwelling unit by, and housing assistance under title II for, any person—

(i) who the local housing and management authority determines is illegally using a controlled substance; or

(ii) if the local housing and management authority determines that it has reasonable cause to believe that such person's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project; and

(B) that allow the local housing and management authority to terminate the tenancy in any public housing unit of, and the housing assistance under title II for, any person—

(i) who the local housing and management authority determines is illegally using a controlled substance; or

(ii) whose illegal use of a controlled substance, or whose abuse of alcohol, is determined by the local housing and management authority to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project.

(2) **CONSIDERATION OF REHABILITATION.**—In determining whether, pursuant to paragraph (1), to deny occupancy or assistance to any person based on a pattern of use of a controlled substance or a pattern of abuse of alcohol, a local housing and management authority may consider whether such person—

(A) has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable);

(B) has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or

(C) is participating in a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).

(c) **OTHER SCREENING.**—A local housing and management authority may deny occupancy as provided in section 642 of the Housing and Community Development Act of 1992.

Page 22, line 4, strike "(b)" and insert "(c)".

Page 22, strike line 8 and all that follows through line 13, and insert the following:

member of the family shall contribute not less than 8 hours of work per month within the community in which the family resides. The requirement under this subsection shall be incorporated in the terms of the tenant self-sufficiency contract under subsection (b).

(b) **TENANT SELF-SUFFICIENCY CONTRACT.**—

(1) **REQUIREMENT.**—Except as provided in subsection (c), each local housing and management authority shall require, as a condition of occupancy of a public housing dwelling unit by a family and of providing housing assistance under title III on behalf of a family, that each adult member of the family who has custody of, or is responsible for, a minor living in his or her care shall enter into a legally enforceable self-sufficiency contract under this section with the authority.

(2) **CONTRACT TERMS.**—The terms of a self-sufficiency contract under this subsection shall be established pursuant to consultation between the authority and the family and shall include a plan for the resident's or family's residency in housing assisted under this Act that provides—

(A) a date specific by which the resident or family will graduate from or terminate tenancy in such housing;

(B) specific interim and final performance targets and deadlines relating to self-sufficiency, which may relate to education, school participation, substance and alcohol abuse counseling, mental health support, jobs and skills training, and any other factors the authority considers appropriate; and

(C) any resources, services, and assistance relating to self-sufficiency to be made available to the resident or family.

(3) **INCORPORATION INTO LEASE.**—A self-sufficiency contract under this subsection shall be incorporated by reference into a lease under section 226 or 324, as applicable, and the terms of such contract shall be terms of the lease for which violation may result in—

(A) termination of tenancy, pursuant to section 226(4) or 325(a)(1), as applicable; or

(B) withholding of assistance under this Act.

The contract shall provide that the local housing and management authority or the resident who is a party to the contract may enforce the contract through an administrative grievance procedure under section 110.

(4) **PARTNERSHIPS FOR SELF-SUFFICIENCY ACTIVITIES.**—A local housing and management authority may enter into such agreements and form such partnerships as may be necessary, with State and local agencies, nonprofit organizations, academic institutions, and other entities who have experience or expertise in providing services, activities, training, and other assistance designed to facilitate low- and very-low income families achieving self-sufficiency.

(5) **CHANGED CIRCUMSTANCES.**—A self-sufficiency contract under this subsection shall provide for modification in writing and that the local housing and management authority may for good cause or changed circumstances waive conditions under the contract.

(6) **MODEL CONTRACTS.**—The Secretary shall, in consultation with organizations and groups representing resident councils and residents of housing assisted under this Act, develop a model self-sufficiency contract for use under this subsection. The Secretary shall provide local housing and management authorities with technical assistance and advice regarding such contracts.

Page 22, line 16, strike "requirement under subsection (a)" and insert "requirements under subsections (a) and (b)(1)".

Page 27, lines 19 and 20, strike "section 110" and insert "section 111".

Page 29, line 18, after "WELFARE" insert "AND OTHER APPROPRIATE".

Page 29, line 20, after "welfare agencies" insert the following: "and other appropriate Federal, State, or local government agencies or nongovernment agencies or entities".

Page 29, line 25, strike "requirements", and all that follows through "ensure" on page 30, line 1, and insert the following: "policies established by the authority that increase or maintain".

Page 30, line 7, strike "local law" and insert the following: "Federal, State, and local law".

Page 34, line 8, strike "or".

Page 30, after line 8, insert the following new paragraph:

(13) **POLICIES FOR LOSS OF HOUSING ASSISTANCE.**—A description of policies of the authority requiring the loss of housing assistance and tenancy under titles II and III, pursuant to sections 222(e) and 321(g).

Page 34, line 12, strike the period and insert a semicolon.

Page 34, after line 12, insert the following new paragraphs:

(4) the plan plainly fails to adequately identify the needs of low-income families for housing assistance in the jurisdiction of the authority;

(5) the plan plainly fails to adequately identify the capital improvement needs for public housing developments in the jurisdiction of the authority;

(6) the activities identified in the plan are plainly inappropriate to address the needs identified in the plan; or

(7) the plan is inconsistent with the requirements of this Act.

Page 36, line 24, after the semicolon insert "or".

Page 37, after line 17, insert the following new section:

**SEC. 109. REPORTING REQUIREMENTS.**

(a) **PERFORMANCE AND EVALUATION REPORT.**—Each local housing and management authority shall annually submit to the Accreditation Board established under section 401, on a date determined by such Board, a performance and evaluation report concerning the use of funds made available under this Act. The report of the local housing and management authority shall include an assessment by the authority of the relationship of such use of funds made available under this Act, as well as the use of other funds, to the needs identified in the local housing management plan and to the purposes of this Act. The local housing and management authority shall certify that the report was available for review and comment by affected tenants prior to its submission to the Board.

(b) **REVIEW OF LHMA'S.**—The Accreditation Board established under section 401 shall, at least on an annual basis, make such reviews as may be necessary or appropriate to determine whether each local housing and management authority receiving assistance under this section—

(1) has carried out its activities under this Act in a timely manner and in accordance with its local housing management plan;

(2) has a continuing capacity to carry out its local housing management plan in a timely manner; and

(3) has satisfied, or has made reasonable progress towards satisfying, such performance standards as shall be prescribed by the Board.

(c) **RECORDS.**—Each local housing and management authority shall collect, maintain, and submit to the Accreditation Board established under section 401 such data and other program records as the Board may require, in such form and in accordance with such schedule as the Board may establish.

Page 37, line 18, strike "**SEC. 109.**" and insert "**SEC. 110.**"

Page 38, line 6, strike "**SEC. 110.**" and insert "**SEC. 111.**"

Page 38, lines 10 and 11, strike "and assisted families under title III".

Page 38, line 16, after "impartial party" insert "(including appropriate employees of the local housing and management authority)".

Page 39, strike lines 13 through 17 and insert the following new subsection:

(c) **INAPPLICABILITY TO CHOICE-BASED RENTAL HOUSING ASSISTANCE.**—This section may not be construed to require any local housing and management authority to establish or implement an administrative grievance procedure with respect to assisted families under title III.

Page 39, line 18, strike "**SEC. 111.**" and insert "**SEC. 112.**"

Page 40, line 18, strike "**SEC. 112.**" and insert "**SEC. 113.**"

Page 40, lines 22 and 23, strike "to provide incremental housing assistance under title III" and insert "for use".

Page 40, line 2, after "subsection (a)" insert "or appropriated or otherwise made available for use under this section".

Page 40, strike lines 12 through 17 and insert the following:

(4) providing technical assistance, training, and electronic information systems for the Department of Housing and Urban Development, local housing and management authorities, residents, resident councils, and resident management corporations to improve management of such authorities, except that the provision of assistance under this paragraph may not involve expenditure of amounts retained under subsection (a) for travel;

(5)(A) providing technical assistance, directly or indirectly, for local housing and management authorities, residents, resident councils, resident management corporations, and nonprofit and other entities in connection with implementation of a homeownership program under section 251, except that grants under this paragraph may not exceed \$100,000; and (B) establishing a public housing homeownership program data base; and

(6) needs related to the Secretary's actions regarding troubled local housing and management authorities under this Act.

Housing needs under this subsection may be met through the provision of assistance in accordance with title II or title III, or both.

Page 42, line 4, after "who" insert "(A)".

Page 42, line 6, strike "and" and insert a comma.

Page 42, line 7, strike "or production".

Page 42, line 8, after the period insert the following: ", and (C) is not a member of a bargaining unit represented by a union that has a collective bargaining agreement with the local housing and management authority".

Page 42, after line 8, insert the following:

(3) **RESIDENTS IN TRAINING PROGRAMS.**—Any individuals participating in a job training program or other program designed to promote economic self-sufficiency.

(c) **DEFINITION.**—For purposes of this section, the terms "operation" and "production" have the meanings given the term in section 273.

Page 42, line 9, strike "**SEC. 113.**" and insert "**SEC. 114.**"

Page 43, after line 4, insert the following new section:

**SEC. 114. PROHIBITION ON USE OF FUNDS.**

None of the funds made available to the Department of Housing and Urban Development to carry out this Act, which are obligated to State or local governments, local housing and management authorities, hous-

ing finance agencies, or other public or quasi-public housing agencies, shall be used to indemnify contractors or subcontractors of the government or agency against costs associated with judgments of infringement of intellectual property rights.

Page 43, line 5, strike "**SEC. 114.**" and insert "**SEC. 115.**"

Page 45, strike line 22 and insert the following:

**SEC. 202. GRANT AUTHORITY, AMOUNT, AND ELIGIBILITY.**

Page 46, after line 2, insert the following new subsection:

(b) **PERFORMANCE FUNDS.**—

(1) **IN GENERAL.**—The Secretary shall establish 2 funds for the provision of grants to eligible local housing and management authorities under this title, as follows:

(A) **CAPITAL FUND.**—A capital fund to provide capital and management improvements to public housing developments.

(B) **OPERATING FUND.**—An operating fund for public housing operations.

(2) **FLEXIBILITY OF FUNDING.**—A local housing and management authority may use up to 10 percent of the amounts from a grant under this title that are allocated and provided from the capital fund for activities that are eligible under section 203(a)(2) to be funded with amounts from the operating fund.

(c) **AMOUNT OF GRANTS.**—The amount of the grant under this title for a local housing and management authority for a fiscal year shall be the amount of the allocation for the authority determined under section 204, except as otherwise provided in this title and subtitle B of title IV.

Page 46, line 3, strike "(b)" and insert "(d)".

Page 46, line 19, strike "(d)" and insert "(e)".

Page 47, line 3, strike "(e)" and insert "(f)".

Page 47, strike lines 7 through 11.

Page 47, line 12, strike "(d)" and insert "(e)".

Page 48, line 22, strike "not".

Page 49, line 12, strike "(e)" and insert "(f)".

Page 49, line 20, strike "(f)" and insert "(g)".

Page 50, strike line 4 and all that follows through page 54, line 5, and insert the following new subsection:

(a) **ELIGIBLE ACTIVITIES.**—Except as provided in subsection (b) and in section 202(b)(2), grant amounts allocated and provided from the capital fund and grant amounts allocated and provided from the operating fund may only be used only for the following activities:

(1) **CAPITAL FUND ACTIVITIES.**—Grant amounts from the capital fund may be used for—

(A) the production and modernization of public housing developments, including the redesign, reconstruction, and reconfiguration of public housing sites and buildings and the production of mixed-income developments;

(B) vacancy reduction;

(C) addressing deferred maintenance needs and the replacement of dwelling equipment;

(D) planned code compliance;

(E) management improvements;

(F) demolition and replacement under section 261;

(G) tenant relocation;

(H) capital expenditures to facilitate programs to improve the economic empowerment and self-sufficiency of public housing tenants; and

(I) capital expenditures to improve the security and safety of residents.

(2) **OPERATING FUND ACTIVITIES.**—Grant amounts from the operating fund may be used for—

(A) procedures and systems to maintain and ensure the efficient management and operation of public housing units;

(B) activities to ensure a program of routine preventative maintenance;

(C) anti-crime and anti-drug activities, including the costs of providing adequate security for public housing tenants;

(D) activities related to the provision of services, including service coordinators for elderly persons or persons with disabilities;

(E) activities to provide for management and participation in the management of public housing by public housing tenants;

(F) the costs associated with the operation and management of mixed-income developments;

(G) the costs of insurance;

(H) the energy costs associated with public housing units, with an emphasis on energy conservation;

(I) the costs of administering a public housing work program under section 106, including the costs of any related insurance needs; and

(J) activities in connection with a homeownership program for public housing residents under subtitle D, including providing financing or assistance for purchasing housing, or the provision of financial assistance to resident management corporations or resident councils to obtain training, technical assistance, and educational assistance to promote homeownership opportunities.

Page 54, line 11, after "title III" insert a comma.

Page 54, strike lines 16 through 25 and insert the following:

sufficient evidence to the Secretary that the building or buildings—

(A) are on the same or contiguous sites;

(B) consist of more than 300 dwelling units;

(C) have a vacancy rate of at least 10 percent for dwelling units not in funded, on-schedule modernization programs;

(D) are identified as distressed housing for which the local housing and management authority cannot assure the long-term viability as public housing through reasonable revitalization, density reduction, or achievement of a broader range of household income; and

(E) have an estimate cost of continued operation and modernization as public housing that exceeds the cost of providing choice-based rental assistance under title III for all families in occupancy, based on appropriate indicators of cost (such as the percentage of the total development cost required for modernization).

Local housing and management agencies shall identify properties that meet the definition of subparagraphs (A) through (E).

Page 55, line 3, strike "formula" and insert "formulas".

Page 55, line 6, strike "incremental".

Page 55, strike line 7 and all that follows through "assistance" on line 10.

Page 56, line 14, after "and" insert "take".

Page 58, line 10, strike "formula" and insert "formulas".

Page 58, line 12, strike "formula" and insert "formulas".

Page 58, strike line 15 and all that follows through line 22, and insert the following new subsection:

(c) **EXTENSION OF DEADLINES.**—The Secretary may, for a local housing and management authority, extend any deadline established pursuant to this section or a local housing management plan for up to an additional 5 years if the Secretary makes a determination that the deadline is impracticable.

Page 59, line 11, strike "**BLOCK**".

Page 59, line 13, strike "section 111" and insert "section 112".

Page 59, line 24, strike "a formula described in" and insert "the formulas described in paragraphs (1) and (2) of";

Page 60, lines 1 and 2, strike "formula" and insert "formulas".

Page 60, strike line 10 and all that follows through line 23 and insert the following:

(c) PERMANENT ALLOCATION FORMULAS FOR CAPITAL AND OPERATING FUNDS.—

(1) ESTABLISHMENT OF CAPITAL FUND FORMULA.—The formula under this paragraph shall provide for allocating assistance under the capital fund for a fiscal year. The formula may take into account such factors as—

(A) the number of public housing dwelling units owned or operated by the local housing and management authority, the characteristics and locations of the developments, and the characteristics of the families served and to be served (including the incomes of the families);

(B) the need of the local housing and management authority to carry out rehabilitation and modernization activities, and reconstruction, production, and demolition activities related to public housing dwelling units owned or operated by the local housing and management authority, including backlog and projected future needs of the authority;

(C) the cost of constructing and rehabilitating property in the area; and

(D) the need of the local housing and management authority to carry out activities that provide a safe and secure environment in public housing units owned or operated by the local housing and management authority.

(2) ESTABLISHMENT OF OPERATING FUND FORMULA.—The formula under this paragraph shall provide for allocating assistance under the operating fund for a fiscal year. The formula may take into account such factors as—

(A) standards for the costs of operating and reasonable projections of income, taking into account the characteristics and locations of the public housing developments and characteristics of the families served and to be served (including the incomes of the families), or the costs of providing comparable services as determined in accordance with criteria or a formula representing the operations of a prototype well-managed public housing development;

(B) the number of public housing dwelling units owned or operated by the local housing and management authority; and

(C) the need of the local housing and management authority to carry out anti-crime and anti-drug activities, including providing adequate security for public housing residents.

Page 60, line 24, strike "(2)" and insert "(3)".

Page 60, line 25, strike "formula", and insert "formulas".

Page 61, line 4, strike "formula", and insert "formulas".

Page 61, line 6, strike "(3)" and insert "(4)".

Page 61, line 9, strike "formula", and insert "formulas".

Page 61, line 10, strike "(2)" and insert "(3)".

Page 62, line 10, after "costs" insert the following: "and other necessary costs (such as costs necessary for the protection of persons and property)".

Page 62, after line 16, insert the following new subparagraph:

(D) INCREASES IN INCOME.—The Secretary may revise the formula referred to in subparagraph (B) to provide an incentive to encourage local housing and management authorities to increase nonrental income and to increase rental income attributable to their units by encouraging occupancy by

families with a broad range of incomes, including families whose incomes have increased while in occupancy and newly admitted families. Any such incentive shall provide that the local housing and management authority shall derive the full benefit of an increase in nonrental income, and such increase shall not directly result in a decrease in amounts provided to the authority under this title.

Page 63, after line 13, insert the following new subsection:

(e) ELIGIBILITY OF UNITS ACQUIRED FROM PROCEEDS OF SALES UNDER DEMOLITION OR DISPOSITION PLAN.—If a local housing and management authority uses proceeds from the sale of units under a homeownership program in accordance with section 251 to acquire additional units to be sold to low-income families, the additional units shall be counted as public housing for purposes of determining the amount of the allocation to the authority under this section until sale by the authority, but in any case no longer than 5 years.

Page 69, line 21, strike "25 percent" and insert "30 percent".

Page 69, line 23, strike the period insert the following: ", as determined by the Secretary with adjustments for smaller and larger families. The Secretary may establish income ceiling higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes."

Page 71, after line 11, insert the following new subsection:

(e) LOSS OF ASSISTANCE FOR TERMINATION OF TENANCY.—A local housing and management authority shall, consistent with policies described in the local housing management plan of the authority, establish policies providing that a family residing in a public housing dwelling unit whose tenancy is terminated for serious violations of the terms or conditions of the lease shall—

(1) lose any right to continued occupancy in public housing under this title; and

(2) immediately become ineligible for admission to public housing under this title or for housing assistance under title III—

(A) in the case of a termination due to drug-related criminal activity, for a period of not less than 3 years from the date of the termination; or

(B) for other terminations, for a reasonable period of time as determined period of time as determined by the local housing and management authority.

Page 71, line 22, strike the period and all that follows through "sources" in line 24.

Page 72, strike line 11 and all that follows through page 74, line 20, and insert the following new subsection:

(b) AVAILABILITY OF CRIMINAL RECORDS.—A local housing and management authority may request and obtain records regarding the criminal convictions of applicants for, or tenants of, public housing as provided in section 646 of the Housing and Community Development Act of 1992.

Page 76, strike line 2 and all that follows through page 77, line 14, and insert the following:

(a) RENTAL CONTRIBUTION BY RESIDENT.—

(1) IN GENERAL.—A family shall pay as monthly rent for a dwelling unit in public housing the amount that the local housing and management authority determines is appropriate with respect to the family and the unit, which shall be—

(A) based upon factors determined by the authority, which may include the adjusted income of the resident, type and size of dwelling unit, operating and other expenses of the authority, or any other factors that the authority considers appropriate; and

(B) an amount that is not less than the minimum monthly rental amount under subsection (b)(1) nor more than any maximum monthly rental amount established for the dwelling unit pursuant to subsection (b)(2).

In determining the amount of the rent charged under this paragraph for a dwelling unit, a local housing and management authority shall take into consideration the characteristics of the population served by the authority, the goals of the local housing management plan for the authority, and the goals under the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy) for the applicable jurisdiction.

(2) EXCEPTIONS.—Notwithstanding any other provision of this section, the amount paid for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income for any family who—

(A) upon the date of the enactment of this Act, is residing in any dwelling unit in public housing and—

(i) is an elderly family; or

(ii) is a disabled family; or

(B) whose income does not exceed 30 percent of the median income for the area (as determined by the Secretary with adjustments for smaller and larger families).

(b) ALLOWABLE RENTS.—

(1) MINIMUM RENTAL.—Each local housing and management authority shall establish, for each dwelling unit in public housing owned or administered by the authority, a minimum monthly rental contribution toward the rent (which rent shall include any amount allowed for utilities), which—

(A) may not be less than \$25, nor more than \$50; and

(B) may be increased annually by the authority, except that no such annual increase may exceed 10 percent of the amount of the minimum monthly rental contribution in effect for the preceding year.

Notwithstanding the preceding sentence, a local housing and management authority may, in its sole discretion, grant an exemption in whole or in part from payment of the minimum monthly rental contribution established under this paragraph to any family unable to pay such amount because of severe financial hardships. Severe financial hardships may include situations where the family is awaiting an eligibility determination for a Federal, State, or local assistance program, where the family would be evicted as a result of imposition of the minimum rent, and other situations as may be determined by the authority.

Page 82, line 14, before the semicolon, insert "on or off such premises".

Page 83, strike line 1 and all that follows through page 89, line 15, and insert the following new section:

#### SEC. 227. DESIGNATED HOUSING FOR ELDERLY AND DISABLED FAMILIES

(a) AUTHORITY TO PROVIDE DESIGNATED HOUSING.—

(1) IN GENERAL.—Subject only to provisions of this section and notwithstanding any other provision of law, a local housing and management authority for which the information required under subsection (d) is in effect may provide public housing developments (or portions of developments) designated for occupancy by (A) only elderly families, (B) only disabled families, or (C) elderly and disabled families.

(2) PRIORITY FOR OCCUPANCY.—In determining priority for admission to public housing developments (or portions of developments) that are designated for occupancy as provided in paragraph (1), the local housing and

management authority may make units in such developments (or portions) available only to the types of families for whom the development is designated.

(3) **ELIGIBILITY OF NEAR-ELDERLY FAMILIES.**—If a local housing and management authority determines that there are insufficient numbers of elderly families to fill all the units in a development (or portion of a development) designated under paragraph (1) for occupancy by only elderly families, the authority may provide that near-elderly families may occupy dwelling units in the development (or portion).

(b) **STANDARDS REGARDING EVICTIONS.**—Except as provided in section 105(b)(1)(B), any tenant who is lawfully residing in a dwelling unit in a public housing development may not be evicted or otherwise required to vacate such unit because of the designation of the development (or portion of a development) pursuant to this section or because of any action taken by the Secretary or any local housing and management authority pursuant to this section.

(c) **RELOCATION ASSISTANCE.**—A local housing and management authority that designates any existing development or building, or portion thereof, for occupancy as provided under subsection (a)(1) shall provide, to each person and family who agrees to be relocated in connection with such designation—

(1) notice of the designation and an explanation of available relocation benefits, as soon as is practicable for the authority and the person or family;

(2) access to comparable housing (including appropriate services and design features), which may include choice-based rental housing assistance under title III, at a rental rate paid by the tenant that is comparable to that applicable to the unit from which the person or family has vacated; and

(3) payment of actual, reasonable moving expenses.

(d) **REQUIRED INCLUSIONS IN LOCAL HOUSING MANAGEMENT PLAN.**—A local housing and management authority may designate a development (or portion of a development) for occupancy under subsection (a)(1) only if the authority, as part of the authority's local housing management plan—

(1) establishes that the designation of the development is necessary—

(A) to achieve the housing goals for the jurisdiction under the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act; and

(B) to meet the housing needs of the low-income population of the jurisdiction; and

(2) includes a description of—

(A) the development (or portion of a development) to be designated;

(B) the types of tenants for which the development is to be designated;

(C) any supportive services to be provided to tenants of the designated development (or portion);

(D) how the design and related facilities (as such term is defined in section 202(d)(8) of the Housing Act of 1959) of the development accommodate the special environmental needs of the intended occupants; and

(E) any plans to secure additional resources or housing assistance to provide assistance to families that may have been housed if occupancy in the development were not restricted pursuant to this section.

For purposes of this subsection, the term 'supportive services' means services designed to meet the special needs of residents. Notwithstanding section 108, the Secretary may approve a local housing management plan without approving the portion of the plan covering designation of a development pursuant to this section.

(e) **EFFECTIVENESS.**—

(1) **Initial 5-year effectiveness.**—The information required under subsection (d) shall be in effect for purposes of this section during the 5-year period that begins upon notification under section 108(a) of the local housing and management authority that the information complies with the requirements under section 107 and this section.

(2) **RENEWAL.**—Upon the expiration of the 5-year period under paragraph (1) or any 2-year period under this paragraph, an authority may extend the effectiveness of the designation and information for an additional 2-year period (that begins upon such expiration) by submitting to the Secretary any information needed to update the information. The Secretary may not limit the number of times a local housing and management authority extends the effectiveness of a designation and information under this paragraph.

(3) **TREATMENT OF EXISTING PLANS.**—Notwithstanding any other provision of this section, a local housing and management authority shall be considered to have submitted the information required under this section if the authority has submitted to the Secretary an application and allocation plan under section 7 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) that has not been approved or disapproved before such date of enactment.

(4) **TRANSITION PROVISION.**—Any application and allocation plan approved under section 7 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) before such date of enactment shall be considered to be the information required to be submitted under this section and that is in effect for purposes of this section for the 5-year period beginning upon such approval.

(g) **INAPPLICABILITY OF UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITIONS POLICY ACT OF 1970.**—No resident of a public housing development shall be considered to be displaced for purposes of the Uniform Relocation Assistance and Real Property Acquisitions Policy Act of 1970 because of the designation of any existing development or building, or portion thereof, for occupancy as provided under subsection (a) of this section.

(h) **USE OF AMOUNTS.**—Any amounts appropriated pursuant to section 10(b) of the Housing Opportunity Program Extension Act of 1996 (Public Law 104-120) may also be used for choice-based rental housing assistance under title III for local housing and management authorities to implement this section.

Page 89, after line 23, insert the following new subsection:

(b) **ACCOUNTING SYSTEM FOR RENTAL COLLECTIONS AND COSTS.**—

(1) **ESTABLISHMENT.**—Each local housing and management authority that receives grant amounts under this title shall establish and maintain a system of accounting for rental collections and costs (including administrative, utility, maintenance, repair, and other operating costs) for each project and operating cost center (as determined by the Secretary).

(2) **ACCESS TO RECORDS.**—Each local housing and management authority shall make available to the general public the information required pursuant to paragraph (1) regarding collections and costs.

(3) **EXEMPTION.**—The Secretary may permit authorities owning or operating fewer than 500 dwelling units to comply with the requirements of this subsection by accounting on an authority-wide basis.

Page 89, line 24, strike "(b)" and insert "(c)".

Page 90, strike lines 13 through 16 and insert the following:

dwellings, with such applicable

Page 90, lines 20 and 21, strike the period "subparagraph (A)" and insert "paragraph (1)".

Page 91, strike "and" in line 12 and all that follows through line 16 and insert a period.

Page 92, strike lines 4 through 11, and insert the following:

Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) is amended—

(1) in subsection (c)(1)—

(A) in subparagraph (A)—

(i) by striking "public and Indian housing agencies" and inserting "local housing and management authorities and recipients of grants under the Native American Housing Assistance and Self-Determination Act of 1996"; and

(ii) by striking "development assistance" and all that follows through the end and inserting "assistance provided under title II of the United States Housing Act of 1996 and used for the housing production, operation, or capital needs"; and

(B) in subparagraph (B)(ii), by striking "managed by the public or Indian housing agency" and inserting "assisted by the local housing and management authority or the recipient of a grant under the Native American Housing Assistance and Self-Determination Act of 1996"; and

(2) in subsection (d)(1)—

(A) in subparagraph (A)—

(i) by striking "public and Indian housing agencies" and inserting "local housing and management authorities and recipients of grants under the Native American Housing Assistance and Self-Determination Act of 1996"; and

(ii) by striking "development assistance" and all that follows through "section 14 of that Act" and inserting "assistance provided under title II of the United States Housing Act of 1996 and used for the housing production, operation, or capital needs"; and

(B) in subparagraph (B)(ii), by striking "operated by the public or Indian housing agency" and inserting "assisted by the local housing and management authority or the recipient of a grant under the Native American Housing Assistance and Self-Determination Act of 1996".

Page 93, line 3, insert "on a regular basis" before the period.

Page 97, line 8, strike "is".

Page 108, line 16, after the period insert the following: "In addition, the Secretary may provide financial assistance to resident management corporations or resident councils for activities sponsored by resident organizations for economic uplift, such as job training, economic development, security, and other self-sufficiency activities beyond those related to the management of public housing. The Secretary may require resident councils or resident management corporations to utilize local housing and management authorities or other qualified organizations as contract administrators with respect to financial assistance provided under this paragraph."

Page 109, after line 17, insert the following new paragraph:

(6) **TECHNICAL ASSISTANCE AND CLEARINGHOUSE.**—The Secretary may use up to 10 percent of the amount made available pursuant to paragraph (4)—

(A) to provide technical assistance, directly or by grant or contract, and

(B) to receive, collect, process, assemble, and disseminate information, in connection with activities under this subsection.

Page 110, line 19, after the period the following:

An authority may transfer a unit only pursuant to a homeownership program approved

by the Secretary. Notwithstanding section 108, the Secretary may approve a local housing management plan without approving the portion of the plan regarding a homeowner-ship program pursuant to this section.

Page 111, line 5, insert after "sales" the following: "by purchasing units for resale to low-income families".

Page 111, line 16, after the period insert the following:

In the case of purchase by an entity for resale to low-income families, the entity shall sell the units to low-income families within 5 years from the date of its acquisition of the units. The entity shall use any net proceeds from the resale and from managing the units, as determined in accordance with guidelines of the Secretary, for housing purposes, such as funding resident organizations and reserves for capital replacements.

Page 113, line 9, after "appropriate" insert "(whether the family purchases directly from the authority or from another entity)".

Page 115, line 4, after the period insert the following new sentence:

Notwithstanding section 108, the Secretary may approve a local housing management plan without approving the portion of the plan covering demolition or disposition pursuant to this section.

Page 127, line 19, insert "and" after the semicolon.

Page 127, line 21, strike "; and" and insert a period.

Page 127, strike line 22 and all that follows through page 128, line 2, and insert the following:

The Secretary shall give preference in selection to any local housing and management authority that has been awarded a planning grant under section 24(c) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act).

Page 129, line 4, before the period insert the following: "or to one or more other entities capable of proceeding expeditiously in the same locality in carrying out the revitalization plan of the original grantee".

Page 129, line 9, after "troubled" insert "or dysfunctional".

Page 133, line 5, strike lines 4 and 5 and insert the following:

under this section \$480,000,000 for each of fiscal years 1996, 1997, and 1998".

Page 133, line 17, strike "1996" and insert "1998".

Page 133, after line 17, insert the following new section:

**SEC. 263. VOLUNTARY VOUCHER SYSTEM FOR PUBLIC HOUSING.**

(a) IN GENERAL.—A local housing and management authority may convert any public housing development (or portion thereof) owned and operated by the authority to a system of choice-based rental housing assistance under title III, in accordance with this section.

(b) ASSESSMENT AND PLAN REQUIREMENT.—In converting under this section to a choice-based rental housing assistance system, the local housing and management authority shall develop a conversion assessment and plan under this subsection, in consultation with the appropriate public officials and with significant participation by the residents of the development (or portion thereof), which assessment and plan shall—

(1) be consistent with and part of the local housing management plan for the authority;

(2) describe the conversion and future use or disposition of the public housing development, including an impact analysis on the affected community;

(3) include a cost analysis that demonstrates whether or not the cost (both on a net present value basis and in terms of new budget authority requirements) of providing

choice-based rental housing assistance under title III for the same families in substantially similar dwellings over the same period of time is less expensive than continuing public housing assistance in the public housing development proposed for conversion for the remaining useful life of the development; and

(4) identify the actions, if any, that the local housing and management authority will take with regard to converting any public housing development or developments (or portions thereof) of the authority to a system of choice-based rental housing assistance under title III.

(c) STREAMLINED ASSESSMENT AND PLAN.—At the discretion of the Secretary or at the request of a local housing and management authority, the Secretary may waive any or all of the requirements of subsection (b) or otherwise require a streamlined assessment with respect to any public housing development or class of public housing developments.

(d) IMPLEMENTATION OF CONVERSION PLAN.—

(1) IN GENERAL.—A local housing and management authority may implement a conversion plan only if the conversion assessment under this section demonstrates that the conversion—

(A) will not be more expensive than continuing to operate the public housing development (or portion thereof) as public housing; and

(B) will principally benefit the residents of the public housing development (or portion thereof) to be converted, the local housing and management authority, and the community.

(2) DISAPPROVAL.—The Secretary shall disapprove a conversion plan only if the plan is plainly inconsistent with the conversion assessment under subsection (b) or there is reliable information and data available to the Secretary that contradicts that conversion assessment.

(e) OTHER REQUIREMENTS.—To the extent approved by the Secretary, the funds used by the local housing and management authority to provide choice-based rental housing assistance under title III shall be added to the housing assistance payment contract administered by the local housing and management authority or any entity administering the contract on behalf of the local housing and management authority.

(f) SAVINGS PROVISION.—This section does not affect any contract or other agreement entered into under section 22 of the United States Housing Act of 1937 (as such section existed immediately before the enactment of this Act).

Page 135, line 18, strike "section 202(b)" and insert "section 202(d)".

Page 138, strike line 5 and all that follows through line 7 and insert the following:

There are authorized to be appropriated for grants under this title, the following amounts:

(1) CAPITAL FUND.—For the allocations from the capital fund for grants, \$2,500,000,000 for each of fiscal years 1997, 1998, 1999, and 2000; and

(2) OPERATING FUND.—For the allocations from the operating fund for grants, \$2,800,000,000 for each of fiscal years 1997, 1998, 1999, and 2000.

Page 141, line 7, strike "(5)" and insert "(4)".

Page 141, line 10, strike "(6)" and insert "(5)".

Page 140, line 21, after "title" insert the following: "pursuant to the formula established under section 304(a)".

Page 141, lines 16 and 17, strike "subsection (c) and section 109" and insert "subsections (b)(3) and (c), and section 112".

Page 143, line 19, after "including" insert the following: "funding for the headquarters reserve fund under section 112.".

Page 143, line 25, after "displacement" insert "from public or assisted housing".

Page 144, line 9, strike "loan" and insert "portfolio".

Page 148, line 22, strike "the Secretary" and all that follows through page 149, line 21, and insert the following: "the Secretary shall take such steps as may be necessary to ensure that the local housing and management authority that provides the services for a family receives all or part of the administrative fee under this section (as appropriate)".

Page 152, after line 2, insert the following new subsection:

(b) INCOME TARGETING.—Of the families initially assisted under this title by a local housing and management authority in any year, not less than 50 percent shall be families whose incomes do not exceed 60 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families. The Secretary may establish income ceiling higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

Page 152, line 3, strike "(b)" and insert "(c)".

Page 152, line 18, strike "(c)" and insert "(d)".

Page 153, strike line 11 and all that follows through line 25 on page 155, and insert the following new subsection:

(d) PORTABILITY OF HOUSING ASSISTANCE.—

(1) NATIONAL PORTABILITY.—An eligible family that is selected to receive or is receiving assistance under this title may rent any eligible dwelling unit in any area where a program is being administered under this title. Notwithstanding the preceding sentence, a local housing and management authority may require that any family not living within the jurisdiction of the local housing and management authority at the time the family applies for assistance from the authority shall, during the 12-month period beginning on the date of initial receipt of housing assistance made available on behalf of the family from that authority, lease and occupy an eligible dwelling unit located within the jurisdiction served by the authority. The authority for the jurisdiction into which the family moves shall have the responsibility for administering assistance for the family.

(2) SOURCE OF FUNDING FOR A FAMILY THAT MOVES.—For a family that has moved into the jurisdiction of a local housing and management authority and that, at the time of the move, has been selected to receive, or is receiving, assistance provided by another authority, the authority for the jurisdiction into which the family has moved may, in its discretion, cover the cost of assisting the family under its contract with the Secretary or through reimbursement from the other authority under that authority's contract.

(3) AUTHORITY TO DENY ASSISTANCE TO CERTAIN FAMILIES WHO MOVE.—A family may not receive housing assistance as provided under this subsection if the family has moved from a dwelling unit in violation of the lease for the dwelling unit.

(4) FUNDING ALLOCATIONS.—In providing assistance amounts under this title for local housing and management authorities for any fiscal year, the Secretary may give consideration to any reduction or increase in the number of resident families under the program of an authority in the preceding fiscal year as a result of this subsection.

Page 156, line 3, strike "may, to the extent such policies are" and insert "shall, consistent with the policies".

Page 156, lines 4 and 5, strike "and included in the lease for a dwelling unit".

Page 156, strike lines 11 through 14 and insert the following new paragraph:

(2) immediately become ineligible for housing assistance under this title or for admission to public housing under title II—

(A) in the case of a termination due to drug-related criminal activity, for a period of not less than 3 years from the date of the termination; and

(B) for other terminations, for a reasonable period of time as determined by the local housing and management authority.

Page 156, line 15, strike "(h)" and insert "(i)".

Page 156, after line 24, insert the following new subsections:

(i) DENIAL OF ASSISTANCE TO CRIMINAL OFFENDERS.—In making assistance under this title available on behalf of eligible families, a local housing and management authority may deny the provision of such assistance in the same manner, for the same period, and subject to the same conditions that an owner of federally assisted housing may deny occupancy in such housing under subsections (b) and (c) of section 642 of the Housing and Community Development Act of 1992.

(j) AVAILABILITY OF CRIMINAL RECORDS.—A local housing and management authority may request and obtain records regarding the criminal convictions of applicants for housing assistance under this title and assisted families under this title to the same extent an owner of federally assisted housing may obtain such records regarding an applicant for or tenant of federally assisted housing under section 646 of the Housing and Community Development Act of 1992.

Page 157, strike line 2 and all that follows through page 158, line 8, and insert the following new subsections:

(a) AMOUNT.—

(1) IN GENERAL.—An assisted family shall contribute on a monthly basis for the rental of an assisted dwelling unit an amount that the local housing and management authority determines is appropriate with respect to the family and the unit, but shall not be less than the minimum monthly rental contribution determined under subsection (b).

(2) EXCEPTIONS FOR CERTAIN CURRENT RESIDENTS.—Notwithstanding paragraph (1), the amount paid by an assisted family for monthly rent for an assisted dwelling unit, may not exceed 30 percent of the family's adjusted monthly income for any family who—

(A) upon the date of the enactment of this Act, is an assisted family and—

(i) is an elderly family; or

(ii) is a disabled family; or

(B) whose income does not exceed 30 percent of the median income for the area (as determined by the Secretary with adjustments for smaller and larger families).

Any amount payable under paragraph (3) shall be in addition to the amount payable under this paragraph.

(3) EXCESS RENTAL AMOUNT.—In any case in which the monthly rent charged for a dwelling unit pursuant to the housing assistance payments contract exceeds the applicable payment standard (established under section 353) for the dwelling unit, the assisted family residing in the unit shall contribute (in addition to the amount of the monthly rent contribution otherwise determined under paragraph (1) or (2) of this subsection for such family) such entire excess rental amount.

(b) MINIMUM MONTHLY RENTAL CONTRIBUTION.—

(1) IN GENERAL.—The local housing and management authority shall determine the amount of the minimum monthly rental contribution of an assisted family (which rent shall include any amount allowed for utilities), which—

(A) shall be based upon factors including the adjusted income of the family and any other factors that the authority considers appropriate;

(B) shall be not less than \$25, nor more than \$50; and

(C) may be increased annually by the authority, except that no such annual increase may exceed 10 percent of the amount of the minimum monthly contribution in effect for the preceding year.

(2) HARDSHIP EXCEPTION.—Notwithstanding paragraph (1), a local housing and management authority may, in its sole discretion, grant an exemption in whole or in part from payment of the minimum monthly rental contribution established under this paragraph to any assisted family unable to pay such amount because of severe financial hardships. Severe financial hardships may include situations where the family is awaiting an eligibility determination for a Federal, State, or local assistance program, where the family would be evicted as a result of imposition of the minimum rent, and other situations as may be determined by the authority.

Page 161, line 21, strike "section 325" and insert "this title".

Page 162, line 19, before the period, insert "on or off such premises".

Page 163, strike lines 9 through 16 and insert the following new paragraph:

(1) IN GENERAL.—Notwithstanding subsection (a), a local housing and management authority—

(A) may not enter into a housing assistance payments contract (or renew an existing contract) covering a dwelling unit that is owned by an owner who is debarred, suspended, or subject to limited denial of participation under part 24 of title 24, Code of Federal Regulations;

(B) may prohibit, or authorize the termination or suspension of, payment of housing assistance under a housing assistance payments contract in effect at the time such debarment, suspension, or limited denial of participation takes effect.

If the local housing and management authority takes action under subparagraph (B), the authority shall take such actions as may be necessary to protect assisted families who are affected by the action, which may include the provision of additional assistance under this title to such families.

Page 163, strike line 23 and all that follows through page 164, line 2.

Page 164, line 8, before the period insert "and any applicable law".

Page 165, line 17, strike "subsection (b)" and insert "subsection (c)".

Page 166, strike lines 9 through 22 and insert the following new paragraph:

(2) EXPEDITIOUS INSPECTION.—Inspections of dwelling units under this subsection shall be made before the expiration of the 15-day period beginning upon a request by the resident or landlord to the local housing and management authority. The performance of the authority in meeting the 15-day inspection deadline shall be taken into account in assessing the performance of the authority.

Page 167, line 14, strike "The authority" and all that follows through line 19 and insert the following new sentence: "The authority shall retain the records of the inspection for a reasonable time and shall make the records available upon request to the Secretary and the Inspector General for the Department of Housing and Urban Development, the Housing Foundation and Accreditation Board established under title IV, and any auditor conducting an audit under section 432.".

Page 168, line 18, before "income" insert "sufficient".

Page 170, line 18, after "dwelling units" insert the "(other than public housing)".

Page 170, line 22, strike "or the owner".

Page 171, strike line 15 and all that follows through page 172, line 11, and insert the following new section:

#### SEC. 352. AMOUNT OF MONTHLY ASSISTANCE PAYMENT.

(a) UNITS HAVING GROSS RENT EXCEEDING PAYMENT STANDARD.—In the case of a dwelling unit bearing a gross rent that exceeds the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located—

(1) the amount by which such payment standard exceeds the amount of the resident contribution determined in accordance with section 322(a)(1); or

(2) in the case only of families described in paragraph (2) of section 322(a), the amount by which such payment standard exceeds the lesser of (i) the resident contribution determined in accordance with section 322(a)(1), or (ii) 30 percent of the family's adjusted monthly income.

(b) SHOPPING INCENTIVE FOR UNITS HAVING GROSS RENT NOT EXCEEDING PAYMENT STANDARD.—In the case of an assisted family renting an eligible dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located, the following requirements shall apply:

(1) AMOUNT OF MONTHLY ASSISTANCE PAYMENT.—The amount of the monthly assistance payment for housing assistance under this title on behalf of the assisted family shall be the amount by which the gross rent for the dwelling unit exceeds the amount of the resident contribution.

(2) ESCROW OF SHOPPING INCENTIVE SAVINGS.—An amount equal to 50 percent of the difference between payment standard and the gross rent for the dwelling unit shall be placed in an interest bearing escrow account on behalf of such family on a monthly basis by the local housing and management authority. Amounts in the escrow account shall be made available to the assisted family on an annual basis.

(3) DEFICIT REDUCTION.—The local housing and management authority making housing assistance payments on behalf of such assisted family in a fiscal year shall reserve from amounts made available to the authority for assistance payments for such fiscal year an amount equal to the amount described in paragraph (2). At the end of each fiscal year, the Secretary shall recapture any such amounts reserved by local housing and management authorities and such amounts shall be covered into the General Fund of the Treasury of the United States.

For purposes of this section, in the case of a family receiving homeownership assistance under section 329, the term "gross rent" shall mean the homeownership costs to the family as determined in accordance with guidelines of the Secretary.

Page 173, line 3, strike "large".

Page 173, strike "For purposes" in line 15 and all that follows through line 19.

Page 174, line 5, after "unit" insert "(with respect to initial contract rents and any rent revisions)".

Page 179, line 25, strike "section 110" and insert "section 111".

Page 182, line 17, strike "2" and insert "at least 2, but not more than 4".

Page 183, after line 15, insert the following new subparagraph:

(E) At least 1 individual who has extensive experience in auditing participants in government programs.

Page 186, after line 2, insert the following new paragraph:

(3) IMPROVEMENT OF INDEPENDENT AUDITS.— Providing for the development of effective means for conducting comprehensive financial and performance audits of local housing and management authorities under section 432 and, to the extent provided in such section, providing for the conducting of such audits.

Page 186, line 3, strike “(3)” and insert “(4)”.

Page 186, strike lines 6 through 8 and insert the following:

grants under title II for the operation, maintenance, and production of public housing and amounts for housing assistance under title III, ensuring that financial and performance audits under section 432

Page 186, line 12, strike “(4)” and insert “(5)”.

Page 187, after line 13, insert the following new subsection:

(c) ASSISTANCE FROM NATIONAL CENTER FOR HOUSING MANAGEMENT.—

(1) IN GENERAL.—During the period referred to in subsection (a), the National Center for Housing Management established by Executive Order 11668 (42 U.S.C. 3531 note) shall, to the extent agreed to by the Center, provide the Board with ongoing assistance and advice relating to the following matters:

(A) Organizing the structure of the Board and its operations.

(B) Establishing performance standards and guidelines under section 431(a).

Such Center may, at the request of the Board, provide assistance and advice with respect to matters not described in paragraphs (1) and (2) and after the expiration of the period referred to in subsection (a).

(2) ASSISTANCE.—The assistance provided by such Center shall include staff and logistical support for the Board and such operational and managerial activities as are necessary to assist the Board to carry out its functions during the period referred to in subsection (a).

Page 188, after line 22, insert the following new paragraph:

(4) HUD INSPECTOR GENERAL.—The Inspector General of the Department of Housing and Urban Development shall serve the Board as a principal adviser with respect to all aspects of annual financial and performance audits of local housing and management authorities under section 432. The Inspector General may advise the Board with respect to other activities and functions of the Board.

Page 189, line 4 and 5, strike “research or surveys” and insert “evaluations under section 404(b), audits of local housing and management authorities as provided under section 432, research, and surveys”.

Page 189, line 6, before the period insert the following: “, and may enter into contracts with the National Center for Housing Management to conduct the functions assigned to the Center under this title”.

Page 190, line 5, strike “and” and insert a comma.

Page 190, line 6, before the period insert “, and conducting audits of authorities under section 432”.

Page 190, after line 13, insert the following new subsection:

(a) REPORT ON COORDINATION WITH HUD FUNCTIONS.—Not later than the expiration of the 12-month period beginning upon the date of the enactment of this Act, the Board shall submit a report to the Congress that—

(1) identifies and describes the processes, procedures, and activities of the Department of Housing and Urban Development which may duplicate functions of the Board, and makes recommendations regarding activities

of the Department that may no longer be necessary as a result of improved auditing of authorities pursuant to this title;

(2) makes recommendations for any changes to Federal law necessary to improve auditing of local housing and management authorities; and

(3) makes recommendations regarding the review and evaluation functions currently performed by the Department of Housing and Urban Development that may be more efficiently performed by the Board and should be performed by the Board, and those that should continue to be performed by the Department.

Page 190, line 14, before “The” insert “(b) ANNUAL REPORTS.—”.

Page 190, after line 23, insert the following new section:

#### SEC. 408. GAO AUDIT.

The activities and transactions of the Board shall be subject to audit by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General. The representatives of the General Accounting Office shall have access for the purpose of audit and examination to any books, documents, papers, and records of the Board that are necessary to facilitate an audit.

Page 196, strike line 10 and all that follows through page 198, line 25, and insert the following new section:

#### SEC. 432. FINANCIAL AND PERFORMANCE AUDITS.

(a) REQUIREMENT.—A financial and performance audit under this section shall be conducted for each local housing and management authority for each fiscal year that the authority receives grant amounts under this Act, as provided under one of the following paragraphs:

(1) LHMA PROVIDES FOR AUDIT.—If neither the Secretary nor the Board takes action under paragraph (2) or (3), the Secretary shall require the local housing and management authority to have the audit conducted. The Secretary may prescribe that such audits be conducted pursuant to guidelines set forth by the Department.

(2) SECRETARY REQUESTS BOARD TO PROVIDE FOR AUDIT.—The Secretary may request the Board to contract directly with an auditor to have the audit conducted for the authority.

(3) BOARD PROVIDES FOR AUDIT.—The Board may notify the Secretary that it will contract directly with an auditor to have the audit conducted for the authority.

(b) OTHER AUDITS.—Pursuant to risk assessment strategies designed to ensure the integrity of the programs for assistance under this Act, which shall be established by the Inspector General for the Department of Housing and Urban Development in consultation with the Board, the Inspector General may request the Board to conduct audits under this subsection of local housing and management authorities. Such audits may be in addition to, or in place of, audits under subsection (a), as the Board shall provide.

(c) SUBMISSION OF RESULTS.—

(1) SUBMISSION TO SECRETARY AND BOARD.—The results of any audit conducted under this subsection shall be submitted to the local housing and management authority, the Secretary, and the Board.

(2) SUBMISSION TO LOCAL OFFICIALS.—

(A) REQUIREMENT.—A local housing and management authority shall submit each audit conducted under this section to any local elected official or officials responsible for appointing the members of the board of directors (or other similar governing body) of the local housing and management authority for review and comment. Any such comments shall be submitted, together with the audit, to the Secretary and the Board

and the Secretary and the Board shall consider such comments in reviewing the audit.

(B) TIMING.—An audit shall be submitted to local officials as provided in subparagraph (A)—

(i) in the case of an audit conducted under subsection (a)(1), not later than 60 days before the local housing and management authority submits the audit to the Secretary and the Board; or

(ii) in the case of an audit under paragraph (2) or (3) of subsection (a) or under subsection (b), not later than 60 days after the authority receives the audit.

(d) PROCEDURES.—The requirements for financial and performance audits under this section shall—

(1) be established by the Board, in consultation with the Inspector General of the Department of Housing and Urban Development;

(2) provide for the audit to be conducted by an independent auditor selected—

(A) in the case of an audit under subsection (a)(1), by the authority; and

(B) in the case of an audit under paragraph (2) or (3) of subsection (a) or under subsection (b), by the Board;

(3) authorize the auditor to obtain information from a local housing and management authority, to access any books, documents, papers, and records of an authority that are pertinent to this Act and assistance received pursuant to this Act, and to review any reports of an authority to the Secretary;

(4) impose sufficient requirements for obtaining information so that the audits are useful to the Board in evaluating local housing and management authorities; and

(5) include procedures for testing the reliability of internal financial controls of local housing and management authorities.

(e) PURPOSE.—Audits under this section shall be designed to—

(1) evaluate the financial performance and soundness and management performance of the local housing and management authority board of directors (or other similar governing body) and the authority management officials and staff;

(2) assess the compliance of an authority with all aspects of the standards and guidelines established under section 431(a)(1);

(3) provide information to the Secretary and the Board regarding the financial performance and management of the authority and to determine whether a review under section 225(d) or 353(c) is required; and

(4) identify potential problems in the operations, management, functioning of a local housing and management authority at a time before such problems result in serious and complicated deficiencies.

(f) INAPPLICABILITY OF SINGLE AUDIT ACT.—Notwithstanding the first sentence of section 7503(a) of title 31, United States Code, an audit conducted in accordance with chapter 75 of such title shall not exempt any local housing and management authority from conducting an audit under this section. Audits under this section shall not be subject to the requirements for audits under such chapter. An audit under this section for a local housing and management authority for a fiscal year shall be considered to satisfy any requirements under such chapter for such fiscal year.

(g) WITHHOLDING OF AMOUNTS FOR COSTS OF AUDIT.—

(1) LHMA RESPONSIBLE FOR AUDIT.—If the Secretary requires a local housing and management authority to have an audit under this section conducted pursuant to subsection (a)(1) and determines that the authority has failed to take the actions required to submit an audit under this section for a fiscal year, the Secretary may—

(A) arrange for, and pay the costs of, the audit and withhold, from the total allocation for any fiscal year otherwise payable to the authority under this Act, amounts sufficient to pay for the reasonable costs of conducting an acceptable audit (including, if appropriate, the reasonable costs of accounting services necessary to place the authority's books and records in condition that permits an audit); or

(B) request the Board to conduct the audit pursuant to subsection (a)(2) and withhold amounts pursuant to paragraph (2) of this subsection.

(2) BOARD RESPONSIBLE FOR AUDIT.—If the Board is responsible for an audit for a local housing and management authority pursuant to paragraph (2) or (3) of subsection (a), subsection (b), or paragraph (1)(B) of this subsection, the Secretary shall—

(A) withhold, from the total allocation for any fiscal year otherwise payable to the authority under this Act, amounts sufficient to pay for the audit, but in no case more than the reasonable cost of conducting an acceptable audit (including, if appropriate, the reasonable costs of accounting services necessary to place the authority's books and records in condition that permits an audit); and

(B) transfer such amounts to the Board.

Page 201, line 21, strike "to prepare".

Page 201, line 23, after "housing" insert "or functions".

Page 202, lines 1 and 2, strike "to prepare".

Page 203, lines 17 and 18, strike "the expiration" and all that follows through "437(b)(2)" on line 19, and insert the following: "such period, the Secretary shall take the action authorized under subsection (b)(2) or (b)(5) of section 438".

Page 203, line 19, strike "437(b)(2)" and insert "438(b)(2) or (b)(5)".

Page 207, line 16, strike "section 435" and insert "section 436".

Page 209, line 9, strike "if" and all that follows through the comma on line 12.

Page 210, line 9, before the semicolon insert ", but only after efforts to renegotiate such contracts have failed".

Page 210, line 19, after "laws" insert the following: "relating to civil service requirements, employee rights, procurement, or financial or administrative controls".

Page 210, line 20, strike "receiver" and insert "Secretary".

Page 212, line 24, strike "(D)" and insert "(D)".

Page 212, line 25, after "laws" insert the following: "relating to civil service requirements, employee rights, procurement, or financial or administrative controls".

Page 213, after line 23, insert the following new subsection:

(g) EFFECTIVENESS.—The provisions of this section shall apply with respect to actions taken before, on, or after the effective date of this Act and shall apply to any receivers appointed for a public housing agency before the date of enactment of this Act.

Page 215, line 7, strike "for the first year beginning after the date of enactment of this Act".

Page 216, line 2, strike "section 438(b)" and insert "section 439(b)".

Page 217, line 7, strike "section 432" and insert "section 433".

Page 217, line 9, strike "and 436" and insert "436, and 438".

Page 218, strike lines 19 through 22 (and redesignate subsequent paragraphs accordingly).

Page 226, after line 9, insert the following new subsection:

(f) CONVERSION OF PROJECT-BASED ASSISTANCE TO CHOICE-BASED RENTAL ASSISTANCE.—

(1) SECTION 8 PROJECT-BASED CONTRACTS.—Upon the request of the owner of a multifam-

ily housing project for which project-based assistance is provided under a contract entered into under section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act), notwithstanding the termination date of such contract the Secretary shall provide for a reduction in the number of dwelling units assisted under the contract, which may not exceed 40 percent of the units in the project and shall be subject to the requirements in paragraphs (3) and (4) of this subsection.

(2) SECTION 236 CONTRACTS.—Upon the request of the owner of a multifamily housing project for which assistance is provided under a contract for interest reduction payments under section 236 of the National Housing Act, notwithstanding the termination date of such contract the Secretary shall provide for a reduction in the number of dwelling units assisted under the contract, which may not exceed 40 percent of the units in the project. The amount of the interest reduction payments made on behalf of the owner shall be reduced by a fraction for which the numerator is the aggregate basic rent for the units which are no longer assisted under the contract for interest reduction payments and the denominator is the aggregate basic rents for all units in the project. The requirements of section 236(g) of the National Housing Act shall not apply to rental charges collected with respect to dwelling units for which assistance in terminated under this paragraph. Such reduction shall be subject to the requirements in paragraphs (3) and (4) of this subsection.

(3) ELIGIBLE UNITS.—A unit may be removed from coverage by a contract pursuant to paragraph (1) or (2) only—

(A) upon the vacancy of the unit; and

(B) in the case of—

(i) units assisted under section 8 of the United States Housing Act of 1937, if the contract rent for the unit is not less than the applicable fair market rental established pursuant to section 8(c) of such Act for the area in which the unit is located; or

(ii) units assisted under an interest reduction contract under section 236 of the National Housing Act, if the reduction in the amount of interest reduction payments on a monthly basis is less than the aggregate amount of fair market rents established pursuant to section 8(c) of such Act for the number and type of units which are removed from coverage by the contract.

(4) RECAPTURE.—Any budget authority that becomes available to a local housing and management authority or the Secretary pursuant to this section shall be used to provide choice-based rental assistance under title III, during the term covered by such contract.

Page 231, line 24, after the period insert the following new sentence: "The plan shall be developed with the participation of residents and appropriate law enforcement officials."

Page 240, after the matter following line 17, insert the following new subsection:

(i) TREATMENT OF NOFA.—The cap limiting assistance under the Notice of Funding Availability issued by the Department of Housing and Urban Development in the Federal Register of April 8, 1996, shall not apply to a local housing and management authority within an area designated as a high intensity drug trafficking area under section 1005(c) of the Anti-Drug Abuse Act of 1988 (21 U.S.C. 1504(c)).

At the end of title V of the bill, insert the following new sections:

#### SEC. 504. TREATMENT OF CERTAIN PROJECTS.

Rehabilitation activities undertaken by Pennrose Properties in connection with 40 dwelling units for senior citizens in the Providence Square development located in

New Brunswick, New Jersey, are hereby deemed to have been conducted pursuant to the approval of and an agreement with the Secretary of Housing and Urban Development under clauses (i) and (ii) of the third sentence of section 8(d)(2)(A) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act).

#### SEC. 505. AMENDMENTS RELATING TO COMMUNITY DEVELOPMENT ASSISTANCE.

(a) ELIGIBILITY OF METROPOLITAN CITIES.—Section 102(a)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(4)) is amended—

(1) by striking the second sentence and inserting the following new sentence: "Any city that was classified as a metropolitan city for at least 1 year after September 30, 1989, pursuant to the first sentence of this paragraph, shall remain classified as a metropolitan city by reason of this sentence until the first year for which data from the 2000 Decennial Census is available for use for purposes of allocating amounts this title."; and

(2) by striking the fifth sentence and inserting the following new sentence: "Notwithstanding that the population of a unit of general local government was included, after September 30, 1989, with the population of an urban county for purposes of qualifying for assistance under section 106, the unit of general local government may apply for assistance under section 106 as a metropolitan city if the unit meets the requirements of the second sentence of this paragraph."

(b) PUBLIC SERVICES LIMITATION.—Section 105(a)(8) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(8)) is amended by striking "through 1997" and inserting "through 1998".

#### SEC. 506. AUTHORITY TO TRANSFER SURPLUS REAL PROPERTY FOR HOUSING USE.

Section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484) is amended by adding at the end the following new subsection:

"(r)(1) Under such regulations as the Administrator may prescribe, and with the written consent of appropriate local governmental authorities, the Administrator may transfer to any nonprofit organization which exists for the primary purpose of providing housing or housing assistance for homeless individuals or families, such surplus real property, including buildings, fixtures, and equipment situated thereon, as is needed for housing use.

"(2) Under such regulations as the Administrator may prescribe, and with the written consent of appropriate local governmental authorities, the Administrator may transfer to any nonprofit organization which exists for the primary purpose of providing housing or housing assistance for low-income individuals or families such surplus real property, including buildings, fixtures, and equipment situated thereon, as is needed for housing use.

"(3) In making transfers under this subsection, the Administrator shall take such action, which shall include grant agreements with an organization receiving a grant, as may be necessary to ensure that—

"(A) assistance provided under this subsection is used to facilitate and encourage homeownership opportunities through the construction of self-help housing, under terms which require that the person receiving the assistance contribute a significant amount of labor toward the construction; and

"(B) the dwellings constructed with property transferred under this subsection shall be quality dwellings that comply with local building and safety codes and standards and shall be available at prices below the prevailing market prices.

"(4)(A) Where the Administrator has transferred a significant portion of a surplus real property, including buildings, fixtures, and equipment situated thereon, under paragraph (1) or (2) of this subsection, the transfer of the entire property shall be deemed to be in compliance with title V of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411 et seq.).

"(B) For the purpose of this paragraph, the term 'a significant portion of a surplus real property' means a portion of surplus real property—

"(i) which constitutes at least 5 acres of total acreage;

"(ii) whose fair market value exceeds \$100,000; or

"(iii) whose fair market value exceeds 15 percent of the surplus property's fair market value.

"(5) The provisions of this section shall not apply to buildings and property at military installations that are approved for closure under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) and shall not supersede the provisions of section 2(e) of the Base Closure Community Redevelopment and Homeless Assistance Act of 1994 (10 U.S.C. 2687 note)."

#### SEC. 507. RURAL HOUSING ASSISTANCE.

The last sentence of section 520 of the Housing Act of 1949 (42 U.S.C. 1490) is amended by inserting before the period the following: ", and the city of Altus, Oklahoma, shall be considered a rural area for purposes of this title until the receipt of data from the decennial census in the year 2000".

#### SEC. 508. TREATMENT OF OCCUPANCY STANDARDS.

(a) NATIONAL STANDARD PROHIBITED.—The Secretary of Housing and Urban Development shall not directly or indirectly establish a national occupancy standard.

(b) STATE STANDARD.—If a State establishes an occupancy standard—

(1) such standard shall be presumed reasonable for purposes of any laws administered by the Secretary; and

(2) the Secretary shall not suspend, withdraw, or deny certification of any State or local public agency based in whole or in part on that State occupancy standard or its operation.

(c) ABSENCE OF STATE STANDARD.—If a State fails to establish an occupancy standard, an occupancy standard of 2 persons per bedroom established by a housing provider shall be presumed reasonable for the purposes of any laws administered by the Secretary.

(d) DEFINITION.—

(1) GENERAL RULE.—Except as provided in paragraph (2), the term "occupancy standard" means a law, regulation, or housing provider policy that establishes a limit on the number of residents a housing provider can properly manage in a dwelling for any 1 or more of the following purposes—

(A) providing a decent home and services for each resident;

(B) enhancing the livability of a dwelling for all residents, including the dwelling for each particular resident; and

(C) avoiding undue physical deterioration of the dwelling and property.

(2) EXCEPTION.—The term "occupancy standard" does not include a Federal, State, or local restriction regarding the maximum number of persons permitted to occupy a dwelling for the sole purpose of protecting the health and safety of the residents of a dwelling, including building and housing code provisions.

(e) EFFECTIVE DATE.—This section shall take effect January 1, 1996.

#### SEC. 509. IMPLEMENTATION OF PLAN.

(a) IMPLEMENTATION.—Within 120 days after the enactment of this Act, the Secretary of

Housing and Urban Development shall implement the Ida Barbour Revitalization Plan of the City of Portsmouth, Virginia, in a manner consistent with existing limitations under law. The Secretary shall consider and make any waivers to existing regulations consistent with such plan to enable timely implementation of such plan.

(b) REPORT.—Such city shall submit a report to the Secretary on progress in implementing the plan not later than 1 year after the date of the enactment of this Act and annually thereafter through the year 2000. The report shall include quantifiable measures revealing the increase in homeowners, employment, tax base, voucher allocation, leverage ratio of funds, impact on and compliance with the city's consolidated plan, identification of regulatory and statutory obstacles which have or are causing unnecessary delays in the plan's successful implementation or are contributing to unnecessary costs associated with the revitalization, and any other information as the Secretary considers appropriate.

#### SEC. 510. INCOME ELIGIBILITY FOR HOME AND CDBG PROGRAMS.

(a) HOME INVESTMENT PARTNERSHIPS.—The Cranston-Gonzalez National Affordable Housing Act is amended as follows:

(1) DEFINITIONS.—In section 104(10) (42 U.S.C. 12704(10))—

(A) by striking "income ceilings higher or lower" and inserting "an income ceiling higher";

(B) by striking "variations are" and inserting "variation is"; and

(C) by striking "high or".

(2) INCOME TARGETING.—In section 214(1)(A) (42 U.S.C. 12744(1)(A))—

(A) by striking "income ceilings higher or lower" and inserting "an income ceiling higher";

(B) by striking "variations are" and inserting "variation is"; and

(C) by striking "high or".

(3) RENT LIMITS.—In section 215(a)(1)(A) (42 U.S.C. 12745(a)(1)(A))—

(A) by striking "income ceilings higher or lower" and inserting "an income ceiling higher";

(B) by striking "variations are" and inserting "variation is"; and

(C) by striking "high or".

(b) CDBG.—Section 102(a)(20) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(20)) is amended by striking subparagraph (B) and inserting the following new subparagraph:

"(B) The Secretary may—

"(i) with respect to any reference in subparagraph (A) to 50 percent of the median income of the area involved, establish percentages of median income for any area that are higher or lower than 50 percent if the Secretary finds such variations to be necessary because of unusually high or low family incomes in such area; and

"(ii) with respect to any reference in subparagraph (A) to 80 percent of the median income of the area involved, establish a percentage of median income for any area that is higher than 80 percent if the Secretary finds such variation to be necessary because of unusually low family incomes in such area."

#### SEC. 511. AMENDMENTS RELATING TO SECTION 236 PROGRAM.

Section 236(f)(1) of the National Housing Act (12 U.S.C. 1715z-1) (as amended by section 405(d)(1) of The Balanced Budget Downpayment Act, I, and by section 228(a) of The Balanced Budget Downpayment Act, II) is amended—

(1) in the second sentence, by striking "the lower of (i)";

(2) in the second sentence, by striking "(ii) the fair market rental established under sec-

tion 8(c) of the United States Housing Act of 1937 for the market area in which the housing is located, or (iii) the actual rent (as determined by the Secretary) paid for a comparable unit in comparable unassisted housing in the market area in which the housing assisted under this section is located,"; and

(3) by inserting after the second sentence the following: "However, in the case of a project which contains more than 5,000 units, is subject to an interest reduction payments contract, and is financed under a State or local program, the Secretary may reduce the rental charge ceiling, but in no case shall the rent be below basic rent. For plans of action approved for capital grants under the Low-Income Housing Preservation and Resident Homeownership Act of 1990 or the provisions of the Emergency Low Income Housing Preservation Act of 1987, the rental charge for each dwelling unit shall be at the basic rental charge or such greater amount, not exceeding the lower of (i) the fair market rental charge determined pursuant to this paragraph, or (ii) the actual rent paid for a comparable unit in comparable unassisted housing in the market area in which the housing is located, as represents 30 percent of the tenant's adjusted income, but in no case shall the rent be below basic rent."

#### SEC. 512. PROSPECTIVE APPLICATION OF GOLD CLAUSES.

Section 518(d)(2) of title 31, United States Code, is amended by adding at the end the following new sentence: "This paragraph shall continue to apply to any obligations issued on or before October 27, 1977, notwithstanding any assignment and/or novation of such obligations after such date, unless all parties to the assignment and/or novation specifically agree to include a gold clause in the new agreement."

#### SEC. 513. MOVING TO WORK DEMONSTRATION FOR THE 21ST CENTURY.

(a) PURPOSE.—The purpose of this demonstration under this section is to give local housing and management authorities and the Secretary of Housing and Urban Development the flexibility to design and test various approaches for providing and administering housing assistance that—

(1) reduce cost and achieve greater cost effectiveness in Federal expenditures;

(2) give incentives to families with children where the head of household is working, seeking work, or preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and

(3) increase housing choices for low-income families.

(b) PROGRAM AUTHORITY.—

(1) SELECTION OF PARTICIPANTS.—The Secretary of Housing and Urban Development shall conduct a demonstration program under this section beginning in fiscal year 1997 under which local housing and management authorities (including Indian housing authorities) administering the public or Indian housing program and the choice-based rental assistance program under title III of this Act shall be selected by the Secretary to participate. In first year of the demonstration, the Secretary shall select 100 local housing and management authorities to participate. In each of the next 2 year of the demonstration, the Secretary shall select 100 additional local housing and management authorities per year to participate. During the first year of the demonstration, the Secretary shall select for participation any authority that complies with the requirement under subsection (d) and owns or administers more than 99,999 dwelling units of public housing.

(2) TRAINING.—The Secretary, in consultation with representatives of public housing

interests, shall provide training and technical assistance during the demonstration and conduct detailed evaluations of up to 30 such agencies in an effort to identify replicable program models promoting the purpose of the demonstration.

(3) **USE OF HOUSING ASSISTANCE.**—Under the demonstration, notwithstanding any provision of this Act, an authority may combine operating assistance provided under section 9 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act), modernization assistance provided under section 14 of such Act, assistance provided under section 8 of such Act for the certificate and voucher programs, assistance for public housing provided under title II of this Act, and choice-based rental assistance provided under title III of this Act, to provide housing assistance for low-income families and services to facilitate the transition to work on such terms and conditions as the authority may propose.

(c) **APPLICATION.**—An application to participate in the demonstration—

(1) shall request authority to combine assistance referred to in subsection (b)(3);

(2) shall be submitted only after the local housing and management authority provides for citizen participation through a public hearing and, if appropriate, other means;

(3) shall include a plan developed by the authority that takes into account comments from the public hearing and any other public comments on the proposed program, and comments from current and prospective residents who would be affected, and that includes criteria for—

(A) establishing a reasonable rent policy, which shall be designed to encourage employment and self-sufficiency by participating families, consistent with the purpose of this demonstration, such as by excluding some or all of a family's earned income for purposes of determining rent; and

(B) assuring that housing assisted under the demonstration program meets housing quality standards established or approved by the Secretary; and

(4) may request assistance for training and technical assistance to assist with design of the demonstration and to participate in a detailed evaluation.

(d) **SELECTION CRITERIA.**—In selecting among applications, the Secretary shall take into account the potential of each authority to plan and carry out a program under the demonstration and other appropriate factors as reasonably determined by the Secretary. An authority shall be eligible to participate in any fiscal year only if the most recent score for the authority under the public housing management assessment program under section 6(j) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) is 90 or greater.

(e) **APPLICABILITY OF CERTAIN PROVISIONS.**—

(1) Section 261 of this Act shall continue to apply to public housing notwithstanding any use of the housing under this demonstration.

(2) Section 113 of this Act shall apply to housing assisted under the demonstration, other than housing assisted solely due to occupancy by families receiving tenant-based assistance.

(f) **EFFECT ON PROGRAM ALLOCATIONS.**—The amount of assistance received under titles II and III by a local housing and management authority participating in the demonstration under this section shall not be diminished by its participation.

(g) **RECORDS, REPORTS, AND AUDITS.**—

(1) **KEEPING OF RECORDS.**—Each authority shall keep such records as the Secretary may prescribe as reasonably necessary to disclose the amounts and the disposition of amounts under this demonstration, to ensure compli-

ance with the requirements of this section, and to measure performance.

(2) **REPORTS.**—Each authority shall submit to the Secretary a report, or series of reports, in a form and at a time specified by the Secretary. Each report shall—

(A) document the use of funds made available under this section;

(B) provide such data as the Secretary may request to assist the Secretary in assessing the demonstration; and

(C) describe and analyze the effect of assisted activities in addressing the objectives of this part.

(3) **ACCESS TO DOCUMENTS BY THE SECRETARY.**—The Secretary shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this section.

(4) **ACCESS TO DOCUMENTS BY THE COMPTROLLER GENERAL.**—The Comptroller General of the United States, or any of the duly authorized representatives of the Comptroller General, shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this section.

(h) **EVALUATION AND REPORT.**—

(1) **CONSULTATION WITH LHMA AND FAMILY REPRESENTATIVES.**—In making assessments throughout the demonstration, the Secretary shall consult with representatives of local housing and management authorities and residents.

(2) **REPORT TO CONGRESS.**—Not later than 180 days after the end of the third year of the demonstration, the Secretary shall submit to the Congress a report evaluating the programs carried out under the demonstration. The report shall also include findings and recommendations for any appropriate legislative action.

**SEC. 514. OCCUPANCY SCREENING AND EVICTIONS FROM FEDERALLY ASSISTED HOUSING.**

(a) **OCCUPANCY SCREENING.**—Section 642 of the Housing and Community Development Act of 1992 (42 U.S.C. 13602)—

(1) by inserting “(a) **GENERAL CRITERIA.**—” before “In”; and

(2) by adding at the end the following new subsections:

“(b) **AUTHORITY TO DENY OCCUPANCY FOR CRIMINAL OFFENDERS.**—In selecting tenants for occupancy of dwelling units in federally assisted housing, if the owner of such housing determines that an applicant for occupancy in the housing or any member of the applicant's household is or was, during the preceding 3 years, engaged in any activity described in paragraph (2)(C) of section 645, the owner may—

“(1) deny such applicant occupancy and consider the applicant (for purposes of any waiting list) as not having applied for such occupancy; and

“(2) after the expiration of the 3-year period beginning upon such activity, require the applicant, as a condition of occupancy in the housing or application for occupancy in the housing, to submit to the owner evidence sufficient (as the Secretary shall by regulation provide) to ensure that the individual or individuals in the applicant's household who engaged in criminal activity for which denial was made under paragraph (1) have not engaged in any criminal activity during such 3-year period.

“(c) **AUTHORITY TO REQUIRE ACCESS TO CRIMINAL RECORDS.**—An owner of federally assisted housing may require, as a condition of providing occupancy in a dwelling unit in such housing to an applicant for occupancy and the members of the applicant's household, that each adult member of the household provide the owner with a signed, writ-

ten authorization for the owner to obtain records described in section 646(a) regarding such member of the household from the National Crime Information Center, police departments, and other law enforcement agencies.

“(d) **DEFINITION.**—For purposes of subsections (b) and (c), the term ‘federally assisted housing’ has the meaning given the term by this title, except that the term does not include housing that only meets the requirements of section 683(2)(E).”

(b) **TERMINATION OF TENANCY.**—Subtitle C of title VI of the Housing and Community Development Act of 1992 (42 U.S.C. 13601 et seq.) is amended by adding at the end the following new section:

**“SEC. 645. TERMINATION OF TENANCY.**

“Each lease for a dwelling unit in federally assisted housing (as such term is defined in section 642(d)) shall provide that—

“(1) the owner may not terminate the tenancy except for violation of the terms and conditions of the lease, violation of applicable Federal, State, or local law, or other good cause; and

“(2) any activity, engaged in by the tenant, any member of the tenant's household, or any guest or other person under the tenant's control, that—

“(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other tenants or employees of the owner or other manager of the housing,

“(B) threatens the health or safety of, or right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises, or

“(C) is criminal activity (including drug-related criminal activity) on or off the premises, shall be cause for termination of tenancy.”

(c) **AVAILABILITY OF CRIMINAL RECORDS FOR TENANT SCREENING AND EVICTION.**—Subtitle C of title VI of the Housing and Community Development Act of 1992 (42 U.S.C. 13601 et seq.) is amended adding after section 645 (as added by subsection (b) of this section) the following new section:

**“SEC. 646. AVAILABILITY OF RECORDS.**

“(a) **IN GENERAL.**—

“(1) **PROVISION OF INFORMATION.**—Notwithstanding any other provision of law other than paragraph (2), upon the request of an owner of federally assisted housing, the National Crime Information Center, a police department, and any other law enforcement agency shall provide to the owner of federally assisted housing information regarding the criminal conviction records of an adult applicant for, or tenants of, the federally assisted housing for purposes of applicant screening, lease enforcement, and eviction, but only if the owner requests such information and presents to such Center, department, or agency with a written authorization, signed by such applicant, for the release of such information to such owner.

“(2) **EXCEPTION.**—The information provided under paragraph (1) may not include any information regarding any criminal conviction of an applicant or resident for any act (or failure to act) for which the applicant or resident was not treated as an adult under the laws of the convicting jurisdiction.

“(b) **CONFIDENTIALITY.**—An owner receiving information under this section may use such information only for the purposes provided in this section and such information may not be disclosed to any person who is not an officer or employee of the owner. The Secretary shall, by regulation, establish procedures necessary to ensure that information provided under this section to an owner is used, and confidentiality of such information is maintained, as required under this section.

“(c) **OPPORTUNITY TO DISPUTE.**—Before an adverse action is taken with regard to assistance for federally assisted housing on the

basis of a criminal record, the owner shall provide the tenant or applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

"(d) FEE.—An owner of federally assisted housing may be charged a reasonable fee for information provided under subsection (a).

"(e) RECORDS MANAGEMENT.—Each owner of federally assisted housing that receives criminal record information under this section shall establish and implement a system of records management that ensures that any criminal record received by the owner is—

"(1) maintained confidentially;

"(2) not misused or improperly disseminated; and

"(3) destroyed, once the purpose for which the record was requested has been accomplished.

"(f) PENALTY.—Any person who knowingly and willfully requests or obtains any information concerning an applicant for, or resident of, federally assisted housing pursuant to the authority under this section under false pretenses, or any person who knowingly and willfully discloses any such information in any manner to any individual not entitled under any law to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000. The term 'person' as used in this subsection shall include an officer or employee of any local housing and management authority.

"(g) CIVIL ACTION.—Any applicant for, or resident of, federally assisted housing affected by (1) a negligent or knowing disclosure of information referred to in this section about such person by an officer or employee of any owner, which disclosure is not authorized by this section, or (2) any other negligent or knowing action that is inconsistent with this section, may bring a civil action for damages and such other relief as may be appropriate against any owner responsible for such unauthorized action. The district court of the United States in the district in which the affected applicant or resident resides, in which such unauthorized action occurred, or in which the officer or employee alleged to be responsible for any such unauthorized action resides, shall have jurisdiction in such matters. Appropriate relief that may be ordered by such district courts shall include reasonable attorney's fees and other litigation costs.

"(h) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

"(1) ADULT.—The term 'adult' means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law.

"(2) FEDERALLY ASSISTED HOUSING.—The term 'federally assisted housing' has the meaning given the term by this title, except that the term does not include housing that only meets the requirements of section 683(2)(E)."

(d) DEFINITIONS.—Section 683 of the Housing and Community Development Act of 1992 (42 U.S.C. 13643) is amended—

(1) in paragraph (2)—

(A) in subparagraph (A), by striking "section 3(b) of the United States Housing Act of 1937" and inserting "section 102 of the United States Housing Act of 1996";

(B) in subparagraph (B), by inserting before the semicolon at the end the following; "(as in effect before the enactment of the United States Housing Act of 1996)";

(C) in subparagraph (F), by striking "and" at the end;

(D) in subparagraph (G), by striking the period at the end and inserting "; and"; and

(E) by adding at the end the following subparagraph:

"(H) for purposes only of subsections (b) and (c) of sections 642, and section 645 and

646, housing assisted under section 515 of the Housing Act of 1949.";

(2) in paragraph (4), by striking "public housing agency" and inserting "local housing and management authority"; and

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

"(6) DRUG-RELATED CRIMINAL ACTIVITY.—The term 'drug-related criminal activity' means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as defined in section 102 of the Controlled Substances Act)."

At the end of the bill, insert the following new title:

**TITLE VI—NATIONAL COMMISSION ON HOUSING ASSISTANCE PROGRAMS COST**

**SEC. 601. ESTABLISHMENT.**

There is established a commission to be known as the National Commission on Housing Assistance Programs Cost (in this title referred to as the "Commission").

**SEC. 602. MEMBERSHIP.**

(a) APPOINTMENT.—The Commission shall be composed of 9 members, who shall be appointed not later than 90 days after the date of the enactment of this Act. The members shall be as follows:

(1) 3 members to be appointed by the Secretary of Housing and Urban Development;

(2) 3 members appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing Opportunity and Community Development of the Committee on Banking, Housing, and Urban Affairs of the Senate and the Chairman and Ranking Minority Member of the Subcommittee on VA, HUD, and Independent Agencies of the Committee on Appropriations of the Senate; and

(3) 3 members appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing and Community Opportunity of the Committee on Banking and Financial Services of the House of Representatives and the Chairman and Ranking Minority Member of the Subcommittee on VA, HUD, and Independent Agencies of the Committee on Appropriations of the House of Representatives.

(b) QUALIFICATIONS.—The 3 members of the Commission appointed under each of paragraphs (1), (2), and (3) of subsection (a)—

(1) shall all be experts in the field of accounting, economics, cost analysis, finance, or management; and

(2) shall include—

(A) 1 individual who is an elected public official at the State or local level;

(B) 1 individual who is a distinguished academic engaged in teaching or research;

(C) 1 individual who is a business leader, financial officer, management or accounting expert.

In selecting members of the Commission for appointment, the individuals appointing shall ensure that the members selected can analyze the Federal assisted housing programs (as such term is defined in section 604(a) on an objective basis and that no member of the Commission has a personal financial or business interest in any such program.

**SEC. 603. ORGANIZATION.**

(a) CHAIRPERSON.—The Commission shall elect a chairperson from among members of the Commission.

(b) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business, but a lesser number may hold hearings.

(c) VOTING.—Each member of the Commission shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Commission.

(d) VACANCIES.—Any vacancy on the Commission shall not affect its powers, but shall be filled in the manner in which the original appointment was made.

(e) PROHIBITION ON ADDITIONAL PAY.—Members of the Commission shall serve without compensation.

(f) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

**SEC. 604. FUNCTIONS.**

(a) IN GENERAL.—The Commission shall —

(1) analyze the full cost to the Federal Government, public housing agencies, State and local governments, and other parties, per assisted household, of the Federal assisted housing programs, and shall conduct the analysis on a nationwide and regional basis and in a manner such that accurate per unit cost comparisons may be made between Federal assisted housing programs; and

(2) estimate the future liability that will be borne by taxpayers as a result of activities under the Federal assisted housing programs before the date of the enactment of this Act.

(b) DEFINITION.—For purposes of this section, the term "Federal assisted housing programs" means—

(1) the public housing program under the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(2) the public housing program under title II of this Act;

(3) the certificate program for rental assistance under section 8(b)(1) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(4) the voucher program for rental assistance under section 8(o) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(5) the programs for project-based assistance under section 8 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(6) the rental assistance payments program under section 521(a)(2)(A) of the Housing Act of 1949;

(7) the program for housing for the elderly under section 202 of the Housing Act of 1959;

(8) the program for housing for persons with disabilities under section 811 of the Cranston-Gonzalez National Affordable Housing Act;

(9) the program for financing housing by a loan or mortgage insured under section 221(d)(3) of the National Housing Act that bears interest at a rate determined under the proviso of section 221(d)(5) of such Act;

(10) the program under section 236 of the National Housing Act;

(11) the program for constructed or substantial rehabilitation under section 8(b)(2) of the United States Housing Act of 1937, as in effect before October 1, 1983; and

(12) any other program for housing assistance administered by the Secretary of Housing and Urban Development or the Secretary of Agriculture, under which occupancy in the housing assisted or housing assistance provided is based on income, as the Commission may determine.

(c) FINAL REPORT.—Not later than 18 months after the Commission is established pursuant to section 602(a), the Commission shall submit to the Secretary and to the Congress a final report which shall contain the results of the analysis and estimates required under subsection (a).

(c) LIMITATION.—The Commission may not make any recommendations regarding Federal housing policy.

**SEC. 605. POWERS.**

(a) HEARINGS.—The Commission may, for the purpose of carrying out this title, hold such hearings and sit and act at such times and places as the Commission may find advisable.

(b) RULES AND REGULATIONS.—The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization and personnel.

(c) ASSISTANCE FROM FEDERAL AGENCIES.—

(1) INFORMATION.—The Commission may request from any department or agency of the United States, and such department or agency shall provide to the Commission in a timely fashion, such data and information as the Commission may require for carrying out this title, including—

(A) local housing management plans submitted to the Secretary of Housing and Urban Development under section 107;

(B) block grant contracts under title II;

(C) contracts under section 302 for assistance amounts under title III; and

(D) audits submitted to the Secretary of Housing and Urban Development under section 403.

(2) ADMINISTRATIVE SUPPORT.—The General Services Administration shall provide to the Commission, on a reimbursable basis, such administrative support services as the Commission may request.

(3) PERSONNEL DETAILS AND TECHNICAL ASSISTANCE.—Upon the request of the chairperson of the Commission, the Secretary of Housing and Urban Development shall, to the extent possible and subject to the discretion of the Secretary—

(A) detail any of the personnel of the Department of Housing and Urban Development, on a nonreimbursable basis, to assist the Commission in carrying out its duties under this title; and

(B) provide the Commission with technical assistance in carrying out its duties under this title.

(d) INFORMATION FROM LOCAL HOUSING AND MANAGEMENT AUTHORITIES.—The Commission shall have access, for the purpose of carrying out its functions under this title, to any books, documents, papers, and records of a local housing and management authority that are pertinent to this Act and assistance received pursuant to this Act.

(e) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(f) CONTRACTING.—The Commission may, to the extent and in such amounts as are provided in appropriations Acts, enter into contracts necessary to carry out its duties under this title.

(g) STAFF.—

(1) EXECUTIVE DIRECTOR.—The Commission shall appoint an executive director of the Commission who shall be compensated at a rate fixed by the Commission, but which shall not exceed the rate established for level V of the Executive Schedule under title 5, United States Code.

(2) PERSONNEL.—In addition to the executive director, the Commission may appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of title 5, United States Code, governing appointments to the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(3) LIMITATION.—Paragraphs (1) and (2) shall be effective only to the extent and in such amounts as are provided in appropriations Acts.

(4) SELECTION CRITERIA.—In appointing an executive director and staff, the Commission

shall ensure that the individuals appointed can conduct any functions they may have regarding the Federal assisted housing programs (as such term is defined in section 604(a)) on an objective basis and that no such individual has a personal financial or business interest in any such program.

(h) ADVISORY COMMITTEE.—The Commission shall be considered an advisory committee within the meaning of the Federal Advisory Committee Act (5 U.S.C. App.).

**SEC. 606. FUNDING.**

Of any amounts made available for policy, research, and development activities of the Department of Housing and Urban Development, there shall be available for carrying out this title \$750,000, for fiscal year 1997. Any such amounts so appropriated shall remain available until expended.

**SEC. 607. SUNSET.**

The Commission shall terminate upon the expiration of the 18-month period beginning upon the date that the Commission is established pursuant to section 602(a).

H.R. 2406

OFFERED BY: MRS. MALONEY

AMENDMENT NO. 21: Page 37, line 19, strike "A" and insert "(a) IN GENERAL.—Except as provided in subsections (b) and (c), a".

Page 37, line 25, strike "Notwithstanding the preceding sentence, pet" and insert the following:

(b) FEDERALLY ASSISTED RENTAL HOUSING FOR THE ELDERLY OR DISABLED.—PET

Page 38, after line 5, insert the following new subsection:

(c) ELDERLY FAMILIES IN PUBLIC AND ASSISTED HOUSING.—Responsible ownership of common household pets shall not be denied any elderly or disabled family who resides in a dwelling unit in public housing or an assisted dwelling unit (as such term is defined in section 371), subject to the reasonable requirements of the local housing and management authority or the owner of the assisted dwelling unit, as applicable. This subsection shall not apply to units in public housing or assisted dwelling units that are located in federally assisted rental housing for the elderly or handicapped referred to in subsection (b).

H.R. 2406

OFFERED BY: MR. ROEMER

AMENDMENT NO. 22: At the end of the bill, insert the following new title:

**TITLE VI—NATIONAL MANUFACTURED HOUSING CONSTRUCTION AND SAFETY STANDARDS CONSENSUS COMMITTEE**

**SEC. 601. SHORT TITLE; REFERENCE.**

(a) SHORT TITLE.—This title may be cited as the "National Manufactured Housing Construction and Safety Standards Act of 1996".

(b) REFERENCE.—Whenever in this title an amendment is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to that section or other provision of the Housing and Community Development Act of 1974.

**SEC. 602. STATEMENT OF PURPOSE.**

Section 602 (42 U.S.C. 5401) is amended by striking the first sentence and inserting the following: "The Congress declares that the purposes of this title are to reduce the number of personal injuries and deaths and property damage resulting from manufactured home accidents and to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes."

**SEC. 603. DEFINITIONS.**

(a) IN GENERAL.—Section 603 (42 U.S.C. 5402) is amended—

(1) in paragraph (2), by striking "dealer" and inserting "retailer";

(2) in paragraph (12), by striking "and" at the end;

(3) in paragraph (13), by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following new paragraphs:

"(14) 'consensus committee' means the committee established under section 604(a)(7); and

"(15) 'consensus standards development process' means the process by which additions and revisions to the Federal manufactured home construction and safety standards shall be developed and recommended to the Secretary by the consensus committee."

(b) CONFORMING AMENDMENTS.—

(1) OCCURRENCES OF "DEALER".—The Act (42 U.S.C. 5401 et seq.) is amended by striking "dealer" and inserting "retailer" in each of the following provisions:

(A) In section 613, each place such term appears.

(B) In section 614(f), each place such term appears.

(C) In section 615(b)(1).

(D) In section 616.

(2) OTHER AMENDMENTS.—The Act (42 U.S.C. 5401 et seq.) is amended—

(A) in section 615(b)(3), by striking "dealer or dealers" and inserting "retailer or retailers"; and

(B) by striking "dealers" and inserting "retailers" each place such term appears—

(i) in section 615(d);

(ii) in section 615(f); and

(iii) in section 623(c)(9).

**SEC. 604. FEDERAL MANUFACTURED HOME CONSTRUCTION AND SAFETY STANDARDS.**

Section 604 (42 U.S.C. 5403) is amended—

(1) by striking subsections (a) and (b) and inserting the following new subsections:

"(a) ESTABLISHMENT.—

"(1) AUTHORITY.—The Secretary shall establish, by order, appropriate Federal manufactured home construction and safety standards. Each such Federal manufactured home standard shall be reasonable and shall meet the highest standards of protection, taking into account existing State and local laws relating to manufactured home safety and construction. The Secretary shall issue all such orders pursuant to the consensus standards development process under this subsection. The Secretary may issue orders which are not part of the consensus standards development process only in accordance with subsection (b).

"(2) CONSENSUS STANDARDS DEVELOPMENT PROCESS.—Not later than 180 days after the date of enactment of the National Manufactured Housing Construction and Safety Standards Act of 1996, the Secretary shall enter into a cooperative agreement or establish a relationship with a qualified technical or building code organization to administer the consensus standards development process and establish a consensus committee under paragraph (7). Periodically, the Secretary shall review such organization's performance and may replace the organization upon a finding of need.

"(3) REVISIONS.—The consensus committee established under paragraph (7) shall consider revisions to the Federal manufactured home construction and safety standards and shall submit revised standards to the Secretary at least once during every 2-year period, the first such 2-year period beginning upon the appointment of the consensus committee under paragraph (7). Before submitting proposed revised standards to the Secretary, the consensus committee shall cause the proposed revised standards to be published in the Federal Register, together with a description of the consensus committee's considerations and decisions under subsection (e), and shall provide an opportunity

for public comment. Public views and objections shall be presented to the consensus committee in accordance with American National Standards Institute procedures. After such notice and opportunity public comment, the consensus committee shall cause the recommended revisions to the standards and notice of its submission to the Secretary to be published in the Federal Register. Such notice shall describe the circumstances under which the proposed revised standards could become effective.

“(4) REVIEW BY SECRETARY.—The Secretary shall either adopt, modify, or reject the standards submitted by the consensus committee. A final order adopting the standards shall be issued by the Secretary not later than 12 months after the date the standards are submitted to the Secretary by the consensus committee, and shall be published in the Federal Register and become effective pursuant to subsection (c). If the Secretary—

“(A) adopts the standards recommended by the consensus committee, the Secretary may issue a final order directly without further rulemaking;

“(B) determines that any portion of the standards should be rejected because it would jeopardize health or safety or is inconsistent with the purposes of this title, a notice to that effect, together with this reason for rejecting the proposed standard, shall be published in the Federal Register no later than 12 months after the date the standards are submitted to the Secretary by the consensus committee;

“(C) determines that any portion of the standard should be modified because it would jeopardize health or safety or is inconsistent with the purposes of this title—

“(i) such determination shall be made no later than 12 months after the date the standards are submitted to the Secretary by the consensus committee;

“(ii) within such 12-month period, the Secretary shall cause the proposed modified standard to be published in the Federal Register, together with an explanation of the reason for the Secretary's determination that the consensus committee recommendation needs to be modified, and shall provide an opportunity for public comment in accordance with the provisions of section 553 of title 5, United States Code; and

“(iii) the final standard shall become effective pursuant to subsection (c).

“(5) FAILURE TO ACT.—If the Secretary fails to take final action under paragraph (4) and publish notice of the action in the Federal Register within the 12-month period under such paragraph, the recommendations of the consensus committee shall be considered to have been adopted by the Secretary and shall take effect upon the expiration of the 180-day period that begins upon the conclusion of the 12-month period. Within 10 days after the expiration of the 12-month period, the Secretary shall cause to be published in the Federal Register notice of the Secretary's failure to act, the revised standards, and the effective date of the revised standards. Such notice shall be deemed an order of the Secretary approving the revised standards proposed by the consensus committee.

“(6) INTERPRETIVE BULLETINS.—The Secretary may issue interpretive bulletins to clarify the meaning of any Federal manufactured home construction and safety standards, subject to the following requirements:

“(A) REVIEW BY CONSENSUS COMMITTEE.—Before issuing an interpretive bulletin, the Secretary shall submit the proposed bulletin to the consensus committee and the consensus committee shall have 90 days to provide written comments thereon to the Secretary. If the consensus committee fails to act or if the Secretary rejects any significant views recommended by the consensus committee,

the Secretary shall explain in writing to the consensus committee, before the bulletin becomes effective, the reasons for such rejection.

“(B) PROPOSALS.—The consensus committee may, from time to time, submit to the Secretary proposals for interpretive bulletins under this subsection. If the Secretary fails to issue or rejects a proposed bulletin within 90 days of its receipt, the Secretary shall be considered to have approved the proposed bulletin and shall immediately issue the bulletin.

“(C) EFFECT.—Interpretive bulletins issued under this paragraph shall become binding without rulemaking.

“(7) CONSENSUS COMMITTEE.—

“(A) PURPOSE.—The consensus committee referred to in paragraph (2) shall have as its purpose providing periodic recommendations to the Secretary to revise and interpret the Federal manufactured home construction and safety standards and carrying out such other functions assigned to the committee under this title. The committee shall be organized and carry out its business in a manner that guarantees a fair opportunity for the expression and consideration of various positions.

“(B) MEMBERSHIP.—The consensus committee shall be composed of 25 members who shall be appointed as follows:

“(i) APPOINTMENT BY PROCESS ADMINISTRATOR.—Members shall be appointed by the qualified technical or building code organization that administers the consensus standards development process pursuant to paragraph (2), subject to the approval of the Secretary.

“(ii) BALANCED MEMBERSHIP.—Members shall be appointed in a manner designed to include all interested parties without domination by any single interest category.

“(iii) SELECTION PROCEDURES AND REQUIREMENTS.—Members shall be appointed in accordance with selection procedures for consensus committees promulgated by the American National Standards Institute, except that the American National Standards Institute interest categories shall be modified to ensure representation on the committee by individuals representing the following fields, in equal numbers under each of the following subclauses:

“(I) Manufacturers.

“(II) Retailers, insurers, suppliers, lenders, community owners and private inspection agencies which have a financial interest in the industry.

“(III) Homeowners and consumer representatives.

“(IV) Public officials, such as those from State or local building code enforcement and inspection agencies.

“(V) General interest, including academicians, researchers, architects, engineers, private inspection agencies, and others.

Members of the consensus committee shall be qualified by background and experience to participate in the work of the committee, but members by reason of subclauses (III), (IV), and (V), except the private inspection agencies, may not have a financial interest in the manufactured home industry, unless such bar to participation is waived by the Secretary. The number of members by reason of subclause (V) who represent private inspection agencies may not constitute more than 20 percent of the total number of members by reason of subclause (V). Notwithstanding any other provision of this paragraph, the Secretary shall appoint a member of the consensus committee, who shall not have voting privileges.

“(C) MEETINGS.—The consensus committee shall cause advance notice of all meetings to be published in the Federal Register and all

meetings of the committee shall be open to the public.

“(D) AUTHORITY.—Sections 203, 205, 207, and 208 of title 18, United States Code, shall not apply to the members of the consensus committee. Members shall not be considered to be special government employees for purposes of part 2634 of title 5, Code of Federal Regulations. The consensus committee shall not be considered an advisory committee for purposes of the Federal Advisory Committee Act.

“(E) ADMINISTRATION.—The consensus committee and the administering organization shall operate in conformance with American National Standards Institute procedures for the development and coordination of American National Standards and shall apply to such Institute to obtain accreditation.

“(F) STAFF.—The consensus committee shall be provided reasonable staff resources by the administering organization. Upon a showing of need and subject to the approval of the Secretary, the administering organization shall furnish technical support to any of the various interest categories on the consensus committee.

“(b) OTHER ORDERS.—The Secretary may issue orders that are not developed under the procedures set forth in subsection (a) in order to respond to an emergency health or safety issue, or to address issues on which the Secretary determines the consensus committee will not make timely recommendations, but only if the proposed order is first submitted by the Secretary to the consensus committee for review and the committee is afforded 90 days to provide its views on the proposed order to the Secretary. If the consensus committee fails to act within such period or if the Secretary rejects any significant change recommended by the consensus committee, the public notice of the order shall include an explanation of the reasons for the Secretary's action. The Secretary may issue such orders only in accordance with the provisions of section 553 of title 5, United States Code.”;

(2) by striking subsection (e);

(3) in subsection (f), by striking the matter preceding paragraph (1) and inserting the following:

“(e) CONSIDERATIONS IN ESTABLISHING AND INTERPRETING STANDARDS.—The consensus committee, in recommending standards and interpretations, and the Secretary, in establishing standards or issuing interpretations under this section, shall—”;

(4) by striking subsection (g);

(5) in the first sentence of subsection (j), by striking “subsection (f)” and inserting “subsection (e)”;

(6) by redesignating subsections (h), (i), and (j) as subsections (f), (g), and (h), respectively.

#### **SEC. 605. ABOLISHMENT OF NATIONAL MANUFACTURED HOME ADVISORY COUNCIL.**

Section 605 (42 U.S.C. 5404) is hereby repealed.

#### **SEC. 606. PUBLIC INFORMATION.**

Section 607 (42 U.S.C. 5406) is amended—

(1) in subsection (a)—

(A) by inserting “to the Secretary” after “submit”; and

(B) by adding at the end the following new sentence: “Such cost and other information shall be submitted to the consensus committee by the Secretary for its evaluation.”;

(2) in subsection (d), by inserting “, the consensus committee,” after “public,”; and

(3) by striking subsection (c) and redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

#### **SEC. 607. INSPECTION FEES.**

Section 620 (42 U.S.C. 5419) is amended to read as follows:

"SEC. 620. (a) AUTHORITY TO ESTABLISH FEES.—In carrying out the inspections required under this title and in developing standards pursuant to section 604, the Secretary may establish and impose on manufactured home manufacturers, distributors, and retailers such reasonable fees as may be necessary to offset the expenses incurred by the Secretary in conducting such inspections and administering the consensus standards development process and for developing standards pursuant to section 604(b), and the Secretary may use any fees so collected to pay expenses incurred in connection therewith. Such fees shall only be modified pursuant to rulemaking in accordance with the provisions of section 553 of title 5, United States Code.

"(b) DEPOSIT OF FEES.—Fees collected pursuant to this title shall be deposited in a fund, which is hereby established in the Treasury for deposit of such fees. Amounts in the fund are hereby available for use by the Secretary pursuant to subsection (a). The use of these fees by the Secretary shall not be subject to general or specific limitations on appropriated funds unless use of these fees is specifically addressed in any future appropriations legislation. The Secretary shall provide an annual report to Congress indicating expenditures under this section. The Secretary shall also make available to the public, in accordance with all applicable disclosure laws, regulations, orders, and directives, information pertaining to such funds, including information pertaining to amounts collected, amounts disbursed, and the fund balance."

**SEC. 608. ELIMINATION OF ANNUAL REPORT REQUIREMENT.**

Section 626 (42 U.S.C. 5425) is hereby repealed.

**SEC. 609. EFFECTIVE DATE.**

The amendments made by this title shall take effect on the date of enactment of this Act, except that the amendments shall have no effect on any order or interpretative bulletin that is published as a proposed rule pursuant to the provisions of section 553 of title 5, United States Code, on or before that date.

H.R. 2406

OFFERED BY: MR. SANDERS

AMENDMENT No. 23: Page 77, strike lines 7 through 9 and insert the following new subparagraph:

(B) shall be reduced by any amount the resident contributes toward allowable utilities; and

H.R. 2406

OFFERED BY: MR. SANDERS

AMENDMENT No. 24: Page 92, strike line 14 and insert the following:

(a) RESIDENT COUNCILS.—

(1) ESTABLISHMENT.—The residents of a public.

Page 93, after line 3, insert the following new paragraph:

(2) REQUIRED CONSULTATION.—

(A) TWICE ANNUALLY.—Any local housing and management authority that owns or administers any public housing development for which a resident council has been established shall consult with each such council not less than twice each year regarding issues concerning such development.

(B) ISSUES SIGNIFICANTLY AFFECTING RESIDENTS.—The authority shall also consult with the appropriate resident council for any development for which the authority will make a significant decision affecting the interests of residents in the development, not later than 60 days before such decision is made, except in cases of compelling circumstances, requiring expedited action on the part of the authority, as the Secretary

shall provide, in which case such consultation shall be made as soon as possible. The Secretary shall establish guidelines describing such significant decisions, which shall include decisions regarding rent levels and any changes in such levels, maintenance policies, security arrangements, major renovations and repairs, community policies, and demolition or sale of the development.

H.R. 2406

OFFERED BY: MR. SANDERS

AMENDMENT No. 25: Page 145, line 23, strike "600" and insert "1500".

Page 146, line 3, strike "600" and insert "1500".

Page 146, line 4, strike "600" and insert "1500".

H.R. 2406

OFFERED BY: MR. SANDERS

AMENDMENT No. 26: Page 147, strike lines 13 through 16 and insert the following new paragraph:

(4) INCREASE.—If the Secretary finds that there are higher costs of administering small programs operating over large geographic areas, the Secretary shall increase the fee to reflect the difference in cost.

H.R. 2406

OFFERED BY: MR. SANDERS

AMENDMENT No. 27: Page 157, strike lines 12 through 14 and insert the following new paragraph:

(3) shall be reduced by any amount the assisted family contributes toward allowable utilities; and

H.R. 2406

OFFERED BY: MR. SOLOMON

AMENDMENT No. 28: Page 21, line 11, strike 11 and 12, and insert the following:

**SEC. 105. LIMITATIONS ON ADMISSIONS TO ASSISTED HOUSING.**

Page 21, after line 22, insert the following new subsection:

(c) LIMITATION ON ADMISSION OF PERSONS CONVICTED OF DRUG-RELATED OFFENSES.—Notwithstanding any other provision of law, each local housing and management authority shall prohibit admission and occupancy to public housing dwelling units by, and assistance under title III to, any person who, after the date of the enactment of this Act, has been convicted of—

(1) illegal possession with intent to sell any controlled substance (as such term is defined in the Controlled Substances Act); or

(2) illegal possession of any controlled substance on 3 or 4 more occasions.

H.R. 2406

OFFERED BY: MR. SOLOMON

AMENDMENT No. 29: Page 21, line 11, strike 11 and 12, and insert the following:

**SEC. 105. LIMITATIONS ON ADMISSIONS TO ASSISTED HOUSING.**

Page 21, after line 22, insert the following new subsection:

(c) LIMITATION ON ADMISSION OF PERSONS CONVICTED OF DRUG-RELATED OFFENSES.—Notwithstanding any other provision of law, each local housing and management authority shall prohibit admission and occupancy to public housing dwelling units by, and assistance under title III to, any person who, after the date of the enactment of this Act, has been convicted of illegal possession with intent to sell any controlled substance (as such term is defined in the Controlled Substances Act).

H.R. 2406

OFFERED BY: MR. SOLOMON

AMENDMENT No. 30: Page 21, line 11, strike lines 11 and 12, and insert the following:

**SEC. 105. LIMITATIONS ON ADMISSIONS TO ASSISTED HOUSING.**

Page 21, after line 22, insert the following new subsection:

(c) LIMITATION ON ADMISSION OF PERSONS CONVICTED OF DRUG-RELATED OFFENSES.—Notwithstanding any other provision of law, each local housing and management authority shall prohibit admission and occupancy to public housing dwelling units by, and assistance under title III to, any person who, after the date of the enactment of this Act, has been convicted of—

(1) illegal possession with intent to sell any controlled substance (as such term is defined in the Controlled Substances Act); or

(2) illegal possession of any controlled substance on 3 or more occasions.

This subsection may not be construed to require the termination of tenancy or eviction of any member of a household residing in public housing, or the termination of assistance of any member of an assisted family, who is not a person described in the preceding sentence.

H.R. 2406

OFFERED BY: MR. SOLOMON

AMENDMENT No. 31: Page 21, line 11, strike lines 11 and 12, and insert the following:

**SEC. 105. LIMITATIONS ON ADMISSIONS TO ASSISTED HOUSING.**

Page 21, after line 22, insert the following new subsection:

(c) LIMITATION ON ADMISSION OF PERSONS CONVICTED OF DRUG-RELATED OFFENSES.—Notwithstanding any other provision of law, each local housing and management authority shall prohibit admission and occupancy to public housing dwelling units by, and assistance under title III to, any person who, after the date of the enactment of this Act, has been convicted of illegal possession with intent to sell any controlled substance (as such term is defined in the Controlled Substances Act). This subsection may not be construed to require the termination of tenancy or eviction of any member of a household residing in public housing, or the termination of assistance of any member of an assisted family, who is not a person described in the preceding sentence.

H.R. 2406

OFFERED BY: MR. TRAFICANT

AMENDMENT No. 32: At the end of title V of the bill, insert the following new section:

**SEC. 504. USE OF AMERICAN PRODUCTS.**

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

H.R. 2406

OFFERED BY: MS. VELÁZQUEZ

AMENDMENT No. 33: Page 77, strike lines 6 through 14 and insert the following:

(A) except as provided in subparagraphs (B) and (C), shall be an amount determined by the authority, which shall not exceed \$25;

(B) in cases in which a family demonstrates that payment of the amount determined under subparagraph (A) would create financial hardship on the family, as determined pursuant to guidelines which the Secretary shall establish, shall be an amount less than the amount determined under subparagraph (A) (as determined pursuant to such guidelines); and

(C) in such other circumstances as may be provided by the authority, shall be an amount less than the amount determined under subparagraph (A).

H.R. 2406

OFFERED BY: MS. VELÁZQUEZ

AMENDMENT No. 34: Page 157, line 10, after the semicolon insert "and".

Page 157, strike lines 11 through 18 and insert the following new paragraph:

(2)(A) except as provided in subparagraphs (B) and (C), shall be an amount determined by the authority, which shall not exceed \$25;

(B) in cases in which a family demonstrates that payment of the amount determined under subparagraph (A) would create financial hardship on the family, as determined pursuant to guidelines which the Secretary shall establish, shall be an amount less than the amount determined under subparagraph (A) (as determined pursuant to such guidelines); and

(C) in such other circumstances as may be provided by the authority, shall be an amount less than the amount determined under subparagraph (A).

H.R. 2406

OFFERED BY: MR. VENTO

AMENDMENT No. 35: Page 11, line 2, strike "authority's" and insert in lieu thereof "Secretary's".

Page 13, line 10, strike "authority's" and insert in lieu thereof "Secretary's".

H.R. 2406

OFFERED BY: MR. VENTO

AMENDMENT No. 36: Page 239, line 11, strike "fiscal year 1996" and insert "fiscal years 1997, 1998, 1999, 2000, and 2001".

Page 239, line 25, after the period insert "":

Page 240, strike lines 1 through 4.

Page 240, strike line 17 and the matter following such line and insert the following: and inserting the following new item:

"Sec. 5130 Funding."

H.R. 2406

OFFERED BY: MS. WATERS

AMENDMENT No. 37: Page 69, line 23, after the period insert the following new sentence: "Notwithstanding any preference established under section 223, in selecting residents, the local housing and management authority shall not skip over any applicant already on the waiting list to select an applicant who has a higher income."

H.R. 2406

OFFERED BY: MS. WATERS

AMENDMENT No. 38: Page 69, line 23, after the period insert the following: "Notwithstanding any preferences established under section 223, in selecting low-income families whose incomes do not exceed 30 percent of the area median income, the authority shall not skip over any family on the waiting list who meets such income requirement to select another family who has a higher income."

H.R. 2406

OFFERED BY: MS. WATERS

AMENDMENT No. 39: Page 108, lines 6 and 7, strike "To the extent budget authority is available under this title" and insert "Using budget authority made available under paragraph (4)".

Page 108, after line 16, insert the following new paragraph:

(2) ASSISTANCE FOR RESIDENT COUNCILS.—Using budget authority made available under paragraph (4), the Secretary shall provide financial assistance to resident councils established in accordance with section 234(a) to encourage increased involvement by such councils in the consideration of issues affecting residents, the representation of residents interests, and the consultation with local housing and management authorities. Such

assistance may be used for activities (in addition to resident management activities under paragraph (1)) that improve living conditions and resident satisfaction in public housing communities, including resident council capacity building, training on policies governing the operation of public housing, and increasing participating in consultations with local housing and management authorities regarding decisions that significantly affect the public housing community.

Page 108, line 17, strike "(2)" and insert "(3)".

Page 108, line 18, strike "this subsection" and insert "paragraph (1)".

Page 108, line 20, after the period insert the following: "The financial assistance provided under this paragraph (2) with respect to any public housing development may not exceed \$100,000."

Page 108, line 21, strike "(3)" and insert "(4)".

Page 109, line 6, strike "(4)" and insert "(5)".

Page 109, line 10, strike "(5)" and insert "(6)".

H.R. 2406

OFFERED BY: MS. WATERS

AMENDMENT No. 40: Page 153, after line 10, insert the following:

(3) INCOME SKIPPING.—Notwithstanding any preferences established under this subsection, in selecting families to be offered assistance, the local housing and management authority shall not skip over any family already on the waiting list to select any family who has a higher income.

H.R. 2406

OFFERED BY: MS. WATERS

AMENDMENT No. 41: Page 156, after line 24, insert the following new subsection:

(i) INCOME MIX.—Of the families offered assistance by a local housing and management authority after the date of enactment of this Act, not less than 75 percent shall be offered to low-income families whose incomes do not exceed 30 percent of the area median income. Notwithstanding any preferences established under subsection (c), in selecting low-income families whose incomes do not exceed 30 percent of the area median income, the authority shall not skip over any family on the waiting list who meets such income requirement to select another family who has a higher income.

H.R. 2406

OFFERED BY: MS. WATERS

AMENDMENT No. 42: At the end of title V, insert the following new section:

**SEC. 504. LIMITATION ON EXTENT OF USE OF LOAN GUARANTEES FOR HOUSING PURPOSES.**

Section 108 of the Housing and Community Development Act of 1992 (42 U.S.C. 5308) is amended by inserting after subsection (h) the following new section:

"(i) LIMITATION ON USE.—Of any amounts obtained from notes or other obligations issued by an eligible public entity or public agency designated by an eligible public entity and guaranteed under this section pursuant to an application for a guarantee submitted after the date of the enactment of the Housing and Community Development Act of 1992, the aggregate amount used for the purposes described in clauses (2) and (4) of subsection (a), and for other housing activities under the purposes described in clauses (1) and (3) of subsection (a), may not exceed 10 percent of such amounts obtained by the eligible public entity or agency."

H.R. 2406

OFFERED BY: MR. WATT OF NORTH CAROLINA

AMENDMENT No. 43: Page 5, strike line 20 and all that follows through page 6, line 2, and insert the following new paragraphs:

(2) it is a goal of our Nation that all citizens have decent and affordable housing;

(3) our Nation should promote the goal of providing decent and affordable housing for all citizens through the efforts and encouragement of Federal, State, and local governments and by promoting and protecting the independent and collective actions of private citizens, organizations, and the private sector to develop housing and strengthen their own neighborhoods;

Page 6, line 3, strike "(3)" and insert "(4)".

Page 6, line 3, strike "should act only" and insert "has a responsibility to act".

Page 6, line 6, strike "(4)" and insert "(5)".

H.R. 2406

OFFERED BY: MR. WATT OF NORTH CAROLINA

AMENDMENT No. 44: Page 34, line 9, after "determines that the plan" insert "does not comply with Federal law or".

H.R. 3286

OFFERED BY: MRS. MALONEY

AMENDMENT No. 1: At the end of title II, insert the following:

**SEC. 202. STATES REQUIRED TO HAVE STANDBY GUARDIANSHIP LAW AS A CONDITION OF ELIGIBILITY FOR FEDERAL FUNDS FOR FOSTER CARE AND ADOPTION ASSISTANCE.**

(a) IN GENERAL.—Part E of title IV of the Social Security Act (42 U.S.C. 670-679) is amended by inserting after section 477 the following:

**"SEC. 478. STANDBY GUARDIANSHIP LAWS AND PROCEDURES.**

"To be eligible for payments under this part, a State must have in effect laws and procedures that permit any parent who is chronically ill or near death, without surrendering parental rights, to designate a standby guardian for the parent's minor children, whose authority would take effect upon—

"(1) the death of the parent;  
 "(2) the mental incapacity of the parent; or  
 "(3) the physical debilitation and consent of the parent."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect at the end of the first calendar quarter that begins 60 or more months after the date of the enactment of this Act, and shall apply to payments under part E of title IV of the Social Security Act for the quarter and payments made under such part for any succeeding quarter.

H.R. 3286

OFFERED BY: MRS. MALONEY

AMENDMENT No. 2: At the end of title II, insert the following:

**SEC. 202. PLACEMENT OF FOSTER CHILDREN IN PERMANENT KINSHIP CARE ARRANGEMENTS.**

(a) STATE OPTION TO DEEM KINSHIP PLACEMENT AS ADOPTION.—Section 473(a) of the Social Security Act (42 U.S.C. 673(a)) is amended by adding at the end the following:

"(7) If a State places a child (who has been in foster care under the supervision of the State) with a blood relative of the child or of a half-sibling of the child, and transfers legal custody of the child to the relative, pursuant to a written agreement, entered into between the State and the relative, that contains provisions of the type described in section 475(3), then, at the option of the State, for purposes of this part—

"(A) the placement is deemed an adoption;  
 "(B) the initiation of the proceeding to so place the child is deemed an adoption proceeding;

"(C) the relative is deemed the adoptive parent of the child;

"(D) the agreement is deemed an adoption assistance agreement;

"(E) the payments made under the agreement are deemed to be adoption assistance payments; and

"(F) any reasonable and necessary court costs, attorneys fees, and other expenses

which are directly related to the placement or the transfer of legal custody and are not in violation of State or Federal law are deemed nonrecurring adoption expenses.”.

(b) CONSIDERATING OF KINSHIP PLACEMENT OPTION AT DISPOSITIONAL HEARING.—Section 475(5)(C) of such Act (42 U.S.C. 675(5)(c)) is amended by inserting “should be placed with a relative of the child as provided in section 473(a)(7),” before “should be placed for adoption”.

**SEC. 203. EFFECTIVE DATE.**

The amendments made by section 202 of this Act shall apply to payments under part E of title IV of the Social Security Act for quarters beginning after the date of the enactment of this Act.

H.R. 3286

OFFERED BY: MRS. MALONEY

AMENDMENT No. 3: At the end of title II, insert the following:

**SEC. 202. FEDERAL FUNDS FOR FOSTER CARE AND ADOPTION ASSISTANCE AVAILABLE ONLY TO STATES THAT REQUIRE STATE AGENCIES, IN CONSIDERING APPLICATIONS TO ADOPT CERTAIN FOSTER CHILDREN, TO GIVE PREFERENCE TO APPLICATIONS OF A FOSTER PARENT OR CARETAKER RELATIVE OF THE CHILD.**

Section 474 of the Social Security Act (42 U.S.C. 674), as amended by section 201(b) of this Act, is amended by adding at the end the following:

“(e) Notwithstanding any other provision of this section, the Secretary may not make any payment to a State under this section, for any calendar quarter ending after the 5-year period that begins with the date of the enactment of this subsection, unless the State has in effect laws and procedures requiring a State agency to complete the processing of an application to adopt a child who is in foster care under the responsibility of State that has been submitted by a foster parent or caretaker relative of the child, before completing the processing of any other application to adopt the child if—

“(1) a court has approved a permanent plan for adoption of the child, or the child has been freed for adoption; and

“(2) the agency with authority to place the child for adoption determines that—

“(A) the child has substantial emotional ties to the foster parent or caretaker relative, as the case may be; and

“(B) removal of the child from the foster parent or caretaker relative, as the case may be, would be seriously detrimental to the well-being of the child.”.

**SEC. 203. EFFECTIVE DATE.**

The amendment made by section 202 of this Act shall apply to payments under part E of title IV of the Social Security Act for quarters beginning after the date of the enactment of this Act.

H.R. 3286

OFFERED BY: MRS. MALONEY

AMENDMENT No. 4: At the end of title II, insert the following:

**SEC. 202. PROCEDURES TO EXPEDITE THE PERMANENT PLACEMENT OF FOSTER CHILDREN.**

(a) IN GENERAL.—Section 474 of the Social Security Act (42 U.S.C. 674), as amended by sections 201(b) and 202 of this Act, is amended by adding at the end the following:

“(f) The Secretary may not make a payment to a State for a calendar quarter under subsection (a) unless the State has in effect procedures requiring the State agency, at the time a child is removed from home and placed in foster care under the supervision of the State, to locate any parent of the child who is not living at the home, and evaluate the ability of the parent to provide a suitable home for the child.”

(b) APPLICABILITY.—The amendment made by subsection (a) of this section shall not apply with respect to any child who, on the date of the enactment of this Act, is in foster care under the supervision of a State (as defined in section 1101(a)(1) of the Social Security Act for purposes of title IV of such Act).

**SEC. 203. EFFECTIVE DATE.**

The amendment made by section 202 of this Act shall apply to payments under part E of title IV of the Social Security Act for quarters beginning after the date of the enactment of this Act.

H.R. 3286

OFFERED BY: MRS. MALONEY

AMENDMENT No. 5: At the end of title II, insert the following:

**SEC. 202. REQUIREMENT THAT STATES ADMINISTER QUALIFYING EXAMINATIONS TO ALL STATE EMPLOYEES WITH NEW AUTHORITY TO MAKE DECISIONS REGARDING CHILD WELFARE SERVICES.**

Section 474 of the Social Security Act (42 U.S.C. 674), as amended by section 201(b) of this Act, is amended by adding at the end the following:

“(e) the Secretary may not make a payment to a State under subsection (a) for any calendar quarter beginning after the 18-month period that begins with the date of the enactment of this subsection, unless the State has in effect procedures to ensure that, before the State provides to a prospective child welfare decisionmaker the authority to make decisions regarding child welfare services, the individual must take and pass an examination, administered by the State, that tests knowledge of such subjects as child development, family dynamics, dysfunctional behavior, substance abuse, child abuse, and community advocacy, as used in the preceding sentence, the term ‘prospective child welfare decisionmaker’ means an individual who, on the date of the enactment of this subsection, does not have any authority to make a decision regarding child welfare services.”

**SEC. 203. EFFECTIVE DATE.**

The amendments made by section 202 of this Act shall apply to payments under part E of title IV of the Social Security Act for quarters beginning after the date of the enactment of this Act.

H.R. 3286

OFFERED BY: MR. YOUNG OF ALASKA

AMENDMENT No. 6: Strike Title III.

H.R. 3322

OFFERED BY: MR. CRAMER

AMENDMENT No. 1: Page 87, lines 1 through 21, amend subsection (g) to read as follows:

(g) AMENDMENTS.—The Weather Service Modernization Act (15 U.S.C. 313 note) is amended—

(1) in section 706—

(A) by striking “60-day” in subsection (c)(2) and inserting in lieu thereof “30-day”;

(B) by amending subsection (b)(6) to read as follows:

“(6) any recommendations of the Committee submitted under section 707(c) that evaluate the certification.”;

(C) by amending subsection (d) to read as follows:

“(d) FINAL DECISION.—If the Secretary decides to close, consolidate, automate, or relocate any such field office, the Secretary shall publish the certification in the Federal Register and submit the certification to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives.”; and

(D) by amending subsection (f) to read as follows:

“(f) PUBLIC LIAISON.—The Secretary shall maintain for a period of at least two years after the closure of any weather office a program to—

“(1) provide timely information regarding the activities of the National Weather Service which may affect service to the community, including modernization and restructuring; and

“(2) work with area weather service users, including persons associated with general aviation, civil defense, emergency preparedness, and the news media, with respect to the provision of timely weather warnings and forecasts.”; and

(2) by amending section 707(c) to read as follows:

“(c) DUTIES.—The Committee may review any certification under section 706, for which the Secretary has provided a notice of intent to certify, in the plan, including any certification for which there is a significant potential for degradation of service within the affected areas. Upon the request of the Committee, the Secretary shall make available to the Committee the supporting documents developed by the Secretary in connection with the certification. The Committee shall evaluate any certification reviewed on the basis of the modernization criteria and with respect to the requirement that there be no degradation of service, and advise the Secretary accordingly.”.

H.R. 3322

OFFERED BY: MR. CRAMER

AMENDMENT No. 2: Page 87, lines 1 through 21, amend subsection (g) to read as follows:

(g) WEATHER SERVICE MODERNIZATION.—The Weather Service Modernization Act (15 U.S.C. 313 note) is amended—

(1) in section 706—

(A) by amending subsection (b) to read as follows:

“(b) CERTIFICATION.—The Secretary may not close, consolidate, automate, or relocate any field office unless the Secretary has certified to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives that such action will not result in degradation of services to the affected area. Such certification shall be in accordance with the modernization criteria established under section 704.”;

(B) by striking subsections (c), (d), and (e);

(C) by redesignating subsection (f) as subsection (d); and

(D) by inserting after subsection (b) the following new subsection:

“(c) SPECIAL CIRCUMSTANCES.—The Secretary may not close or relocate any field office which is located at an airport, unless the Secretary, in consultation with the Secretary of Transportation and the Committee, first conducts an air safety appraisal, determines that such action will not result in degradation of service and affects aircraft safety, and includes such determination in the certification required under subsection (b). This air safety appraisal shall be issued jointly by the Department of Commerce and the Department of Transportation before September 30, 1996, and shall be based on a coordinated review of all the airports in the United States subject to the certification requirements of subsection (b). The appraisal shall—

“(1) consider the weather information required to safely conduct aircraft operations and the extent to which such information is currently derived through manual observations provided by the National Weather Service and the Federal Aviation Administration, and automated observations provided from other sources including the Automated Weather Observation Service (AWOS), the Automated Surface Observing System

(ASOS), and the Geostationary Operational Environmental Satellite (GOES); and

“(2) determine whether the service provided by ASOS, and ASOS augmented when necessary by human observation, provides the necessary level of service consistent with the service standards encompassed in the criteria for automation of the field offices.”; and

(2) in section 707—

(A) by amending subsection (c) to read as follows:

“(c) DUTIES.—The Committee shall advise the Congress and the Secretary on—

“(1) the implementation of the Strategic Plan, annual development of the Plan, and establishment and implementation of modernization criteria; and

“(2) matters of public safety and the provision of weather services which relate to the comprehensive modernization of the National Weather Service.”; and

(B) by amending subsection (f) to read as follows:

“(f) TERMINATION.—The Committee shall terminate—

“(1) on September 30, 1996; or

“(2) 90 days after the deadline for public comment on the modernization criteria for closure certification published in the Federal Register pursuant to section 704(b)(2), whichever occurs later.”.

H.R. 3322

OFFERED BY: MR. GEKAS

AMENDMENT No. 3: Page 87, after line 21, insert the following new subsection:

(h) REPORT.—Section 704 of the Weather Service Modernization Act (15 U.S.C. 313 note) is amended by adding at the end the following new subsection:

“(c) REPORT.—The National Weather Service shall conduct a review of the NEXRAD

Network radar coverage pattern for a determination of areas of inadequate radar coverage. After conducting such review, the National Weather Service shall prepare and submit to the Congress, no later than 1 year after the date of the enactment of the Omnibus Civilian Science Authorization Act of 1996, a report which—

“(1) assesses the feasibility of existing and future Federal Aviation Administration Terminal Doppler Weather Radars to provide reliable weather radar data, in a cost-efficient manner, to nearby weather forecast offices; and

“(2) makes recommendations for the implementation of the findings of the report.”.

H.R. 3322

OFFERED BY: MS. JACKSON-LEE

AMENDMENT No. 4: Page 30, after line 13, insert the following new section:

**SEC. 218. EARTH OBSERVING SYSTEM IMPLEMENTATION.**

(a) FINDING.—The Congress finds that the National Research Council's 1995 review of the Earth Observing System and Mission to Planet Earth validated the scientific requests and priorities of the Mission to Planet Earth program.

(b) IMPLEMENTATION.—Notwithstanding any other provision of this Act, the National Aeronautics and Space Administration should implement the recommendations of the National Research Council's 1995 review of the Earth Observing System and Mission to Planet Earth, including the recommendations that “NASA should implement most of the near-term components of the MTPE/EOS, including Landsat 7, AM-1, PM-1, and the Tropical Rainfall Measuring Mission (TRMM), without delay or reduction in overall observing capability”, and that “Chemistry-1 mission should not be delayed”.

Amend the table of contents accordingly.

H.R. 3322

OFFERED BY: MS. JACKSON-LEE

AMENDMENT No. 5: Page 118, line 16, strike paragraph (1).

Page 118, line 17, through page 119, line 12, redesignate paragraphs (2) through (11) as paragraphs (1) through (10), respectively.

H.R. 3322

OFFERED BY: MR. KENNEDY OF MASSACHUSETTS

AMENDMENT No. 6: Page 118, line 18, strike paragraph (3).

Page 118, line 19, through page 119, line 12, redesignate paragraphs (4) through (11) as paragraphs (3) through (10), respectively.

H.R. 3322

OFFERED BY: MR. THORNBERRY

AMENDMENT No. 7: Page 87, after line 21, insert the following new subsection:

(h) NEXRAD OPERATIONAL AVAILABILITY AND RELIABILITY.—(1) The Secretary of Defense, in conjunction with the Administrator of the National Oceanic and Atmospheric Administration, shall take immediate steps to ensure that NEXRADs operated by the Department of Defense that provide primary detection coverage over a portion of their range function as fully committed, reliable elements of the national weather radar network, operating with the same standards, quality, and availability as the National Weather Service-operated NEXRADs.

(2) NEXRADs operated by the Department of Defense that provide primary detection coverage over a portion of their range are to be considered as integral parts of the National Weather Radar Network.